

In the Senate of the United States,

September 27 (legislative day, September 25), 1995.

Resolved, That the bill from the House of Representatives (H.R. 2099) entitled “An Act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes”, do pass with the following

AMENDMENTS:

1 **(1)**Page 2, line 20, strike out **【\$25,180,000】** and insert:

2 *\$27,431,000*

3 **(2)**Page 3, line 15, strike out **【\$1,345,300,000】** and in-

4 sert: *\$1,352,180,000*

5 **(3)**Page 3, strike out line 20 and insert: *as amended: Pro-*

6 *vided further, That of the amounts appropriated for read-*

7 *justment benefits, \$6,880,000 shall be available for funding*

8 *the Service Members Occupational Conversion and Train-*

1 *ing program as authorized by sections 4481–4497 of Public*
 2 *Law 102–484, as amended.*

3 **(4)**Page 8, line 2, strike out **【\$16,777,474,000】** and in-
 4 sert: *\$16,450,000,000*

5 **(5)**Page 8, line 8, after “1997” insert: *: Provided further,*
 6 *That notwithstanding any other provision of law, any vet-*
 7 *eran eligible for hospital care or medical services under sec-*
 8 *tion 1710 of title 38 may be treated in the most efficient*
 9 *manner*

10 **(6)**Page 8, line 13, strike out **【\$251,743,000】** and insert:
 11 *\$257,000,000*

12 **(7)**Page 8, strike out lines 15 through 19

13 **(8)**Page 10, line 5, strike out **【\$821,487,000】** and insert:
 14 *\$872,000,000*

15 **(9)**Page 11, line 22, strike out **【\$183,455,000】** and in-
 16 sert: *\$35,785,000*

17 **(10)**Page 13, line 13, strike out **【\$152,934,000】** and in-
 18 sert: *\$190,000,000*

19 **(11)**Page 20, after line 15 insert:

20 *SEC. 109. Notwithstanding any other provision of law,*
 21 *the Secretary of Veterans Affairs is authorized to transfer,*
 22 *without compensation or reimbursement, the jurisdiction*

1 *and control of a parcel of land consisting of approximately*
 2 *6.3 acres, located on the south edge of the Department of*
 3 *Veterans Affairs Medical and Regional Office Center, Wich-*
 4 *ita, Kansas, including buildings Nos. 8 and 30 and other*
 5 *improvements thereon, to the Secretary of Transportation*
 6 *for the purpose of expanding and modernizing United*
 7 *States Highway 54: Provided, That if necessary, the exact*
 8 *acreage and legal description of the real property trans-*
 9 *ferred shall be determined by a survey satisfactory to the*
 10 *Secretary of Veterans Affairs and the Secretary of Trans-*
 11 *portation shall bear the cost of such survey: Provided fur-*
 12 *ther, That the Secretary of Transportation shall be respon-*
 13 *sible for all costs associated with the transferred land and*
 14 *improvements thereon, and compliance with all existing*
 15 *statutes and regulations: Provided further, That the Sec-*
 16 *retary of Veterans Affairs and the Secretary of Transpor-*
 17 *tation may require such additional terms and conditions*
 18 *as each Secretary considers appropriate to effectuate this*
 19 *transfer of land.*

20 **(12)**Page 20, after line 15 insert:

21 *SEC. 110. Funds available to the Department of Veter-*
 22 *ans Affairs Revolving Supply Fund shall be available until*
 23 *September 30, 1997, for expenses necessary to establish a*
 24 *Department wide program to develop and implement a*
 25 *Federal acquisition computer network required by section*

1 *9001 of the Federal Acquisition Streamlining Act of 1994*
2 *(Public Law 103–355).*

3 **(13)**Page 20, after line 15 insert:

4 *SEC. 111. The Department of Veterans Affairs shall*
5 *provide hospital care and medical services to eligible veter-*
6 *ans in the State of Hawaii at levels commensurate with*
7 *levels of care provided in the forty-eight contiguous States.*
8 *The Secretary shall utilize the contract authority prescribed*
9 *in section 1703 of title 38, United States Code, to treat eli-*
10 *gible veterans residing in the State of Hawaii wherever ap-*
11 *propriate.*

12 **(14)**Page 20, after line 15 insert:

13 *SEC. 112. PLAN FOR ALLOCATION OF HEALTH CARE*
14 *RESOURCES BY DEPARTMENT OF VETERANS AFFAIRS.*

15 *(a) PLAN.—(1) The Secretary of Veterans Affairs shall*
16 *develop a plan for the allocation of health care resources*
17 *(including personnel and funds) of the Department of Veter-*
18 *ans Affairs among the health care facilities of the Depart-*
19 *ment so as to ensure that veterans having similar economic*
20 *status, eligibility priority and, or, similar medical condi-*
21 *tions who are eligible for medical care in such facilities have*
22 *similar access to such care in such facilities regardless of*
23 *the region of the United States in which such veterans re-*
24 *side.*

1 (2) *The Plan shall reflect, to the maximum extent pos-*
2 *sible, the Veterans Integrated Service Network, as well as*
3 *the Resource Planning and Management System developed*
4 *by the Department of Veterans Affairs to account for fore-*
5 *casts in expected workload and to ensure fairness to facili-*
6 *ties that provide cost-efficient health care, and shall include*
7 *procedures to identify reasons for variations in operating*
8 *costs among similar facilities and ways to improve the allo-*
9 *cation of resources so as to promote efficient use of resources*
10 *and provision of quality health care.*

11 (3) *The Secretary shall prepare the plan in consulta-*
12 *tion with the Under Secretary of Health of the Department*
13 *of Veterans Affairs.*

14 (b) *PLAN ELEMENTS.—The plan under subsection (a)*
15 *shall set forth—*

16 (1) *milestones for achieving the goal referred to*
17 *in that subsection; and*

18 (2) *a means of evaluating the success of the Sec-*
19 *retary in meeting the goals through the plan.*

20 (c) *SUBMITTAL TO CONGRESS.—The Secretary shall*
21 *submit to Congress the plan developed under subsection (a)*
22 *not later than 180 days after the date of the enactment of*
23 *this Act.*

24 (d) *PLAN IMPLEMENTATION.—The Secretary shall im-*
25 *plement the plan developed under subsection (a) within 60*

1 *days of submitting such plan to Congress under subsection*
2 *(b), unless within such period the Secretary notifies the ap-*
3 *propriate committees of Congress that such plan will not*
4 *be implemented along with an explanation of why such*
5 *plan will not be implemented.*

6 **(15)**Page 20, after line 15 insert:

7 *SEC. 113. During fiscal year 1996, not to exceed*
8 *\$5,700,000 may be transferred from “Medical care” to*
9 *“Medical administration and miscellaneous operating ex-*
10 *penses”. No transfer may occur until 20 days after the Sec-*
11 *retary of Veterans Affairs provides written notice to the*
12 *House and Senate Committees on Appropriations.*

13 **(16)**Page 20, strike out all after line 20, over to and in-
14 cluding line 13 on page 25 and insert:

15 *For assistance under the United States Housing Act*
16 *of 1937, as amended (“the Act” herein) (42 U.S.C. 1437),*
17 *not otherwise provided for, \$5,594,358,000, to remain avail-*
18 *able until expended: Provided, That of the total amount*
19 *provided under this head, \$200,000,000 shall be for the de-*
20 *velopment or acquisition cost of public housing for Indian*
21 *families, including amounts for housing under the mutual*
22 *help homeownership opportunity program under section*
23 *202 of the Act (42 U.S.C. 1437bb): Provided further, That*
24 *of the total amount provided under this head,*
25 *\$2,510,000,000 shall be for modernization of existing public*

1 housing projects pursuant to section 14 of the Act (42
2 U.S.C. 1437l), including up to \$30,000,000 for the inspec-
3 tion of public housing units, contract expertise, and train-
4 ing and technical assistance, directly or indirectly, under
5 grants, contracts, or cooperative agreements, to assist in the
6 oversight and management of public and Indian housing
7 (whether or not the housing is being modernized with assist-
8 ance under this proviso) or tenant-based assistance, includ-
9 ing, but not limited to, an annual resident survey, data
10 collection and analysis, training and technical assistance
11 by or to officials and employees of the Department and of
12 public housing agencies and to residents in connection with
13 the public and Indian housing program, support of a public
14 housing institution to provide such training, technical as-
15 sistance, and education, and training and technical assist-
16 ance to assist public housing agencies in avoiding designa-
17 tion as troubled agencies and in qualifying for removal of
18 such designation: Provided further, That of the total
19 amount provided under this head, \$240,000,000 shall be for
20 new incremental rental subsidy contracts under the section
21 8 existing housing certificate program and the housing
22 voucher program under section 8 of the Act, except that such
23 amounts shall be used only for units necessary to provide
24 housing assistance for residents to be relocated from existing
25 federally subsidized or assisted housing, for replacement

1 *housing for units demolished or disposed of (including units*
2 *to be disposed of pursuant to a homeownership program*
3 *under section 5(h) or title III of the United States Housing*
4 *Act of 1937) from the public housing inventory, for funds*
5 *related to litigation settlements, for the conversion of section*
6 *23 projects to assistance under section 8, for public housing*
7 *agencies to implement allocation plans approved by the Sec-*
8 *retary for designated housing, and for funds to carry out*
9 *the family unification program: Provided further, That of*
10 *the total amount provided under this head, \$500,000,000*
11 *shall be for amendments to section 8 contracts other than*
12 *contracts for projects developed under section 202 of the*
13 *Housing Act of 1959, as amended; \$261,000,000 shall be*
14 *for section 8 assistance and rehabilitation grants for prop-*
15 *erty disposition; and \$624,000,000 shall be for assistance*
16 *for State or local units of government (including public*
17 *housing authorities), tenant and nonprofit organizations to*
18 *purchase projects where owners have indicated an intention*
19 *to prepay mortgages and for assistance to be used as an*
20 *incentive to prevent prepayment or for vouchers (not to ex-*
21 *ceed \$74,000,000) to aid eligible tenants adversely affected*
22 *by mortgage prepayment, as authorized in the Emergency*
23 *Low-Income Housing Preservation Act of 1987, as amend-*
24 *ed: Provided further, That of the foregoing \$624,000,000,*
25 *up to \$20,000,000 shall be available for preservation tech-*

1 nical assistance grants pursuant to section 253 of the Hous-
2 ing and Community Development Act of 1987, as amended,
3 and that the Secretary may designate funding to carry out
4 plans of action approved prior to October 1, 1995, to permit
5 purchases of projects by non-profit organizations or tenant
6 organizations, which are awaiting funding, and which, to
7 the Secretary's satisfaction, will be unable to close without
8 immediate obligation of funding heretofore applied for and
9 approved: Provided further, That with respect to the fore-
10 going \$624,000,000, if the Secretary determines that the de-
11 mand for funding may exceed amounts available for such
12 funding, the Secretary (1) may determine priorities for dis-
13 tributing available funds, including giving priority funding
14 to tenants displaced due to mortgage prepayment and to
15 projects that have not yet been funded but to which funding
16 has been committed; and (2) may impose a temporary mor-
17 atorium on applications by potential recipients of such
18 funding: Provided further, That during fiscal year 1996,
19 the Secretary of Housing and Urban Development may
20 manage and dispose of multifamily properties owned by the
21 Secretary and multifamily mortgages held by the Secretary
22 as of October 1, 1995 without regard to any other provision
23 of law: Provided further, That 50 per centum of the
24 amounts of budget authority, or in lieu thereof 50 per cen-
25 tum of the cash amounts associated with such budget au-

1 *thority, that are recaptured from projects described in sec-*
2 *tion 1012(a) of the Stewart B. McKinney Homeless Assist-*
3 *ance Amendments Act of 1988 (Public Law 100-628, 102*
4 *Stat. 3224, 3268) shall be rescinded, or in the case of cash,*
5 *shall be remitted to the Treasury, and such amounts of*
6 *budget authority or cash recaptured and not rescinded or*
7 *remitted to the Treasury shall be used by State housing fi-*
8 *nance agencies or local governments or local housing agen-*
9 *cies with projects approved by the Secretary of Housing and*
10 *Urban Development for which settlement occurred after*
11 *January 1, 1992, in accordance with such section: Provided*
12 *further, That of the total amount provided under this head,*
13 *\$171,000,000 shall be for housing opportunities for persons*
14 *with AIDS under title VIII, subtitle D of the Cranston-Gon-*
15 *zalez National Affordable Housing Act; and \$75,000,000*
16 *shall be for the lead-based paint hazard reduction program*
17 *as authorized under sections 1011 and 1053 of the Residen-*
18 *tial Lead-Based Hazard Reduction Act of 1992.*

19 *Of the total amount provided under this head,*
20 *\$780,190,000 shall be for capital advances, including*
21 *amendments to capital advance contracts, for housing for*
22 *the elderly, as authorized by section 202 of the Housing Act*
23 *of 1959, as amended, and for project rental assistance, and*
24 *amendments to contracts for project rental assistance, for*
25 *supportive housing for the elderly under section 202(c)(2)*

1 *of the Housing Act of 1959; and \$233,168,000 shall be for*
 2 *capital advances, including amendments to capital advance*
 3 *contracts, for supportive housing for persons with disabil-*
 4 *ities, as authorized by section 811 of the Cranston-Gonzalez*
 5 *National Affordable Housing Act; and for project rental as-*
 6 *sistance, and amendments to contracts for project rental as-*
 7 *sistance, for supportive housing for persons with disabilities*
 8 *as authorized by section 811 of the Cranston-Gonzalez Na-*
 9 *tional Affordable Housing Act: Provided, That the Sec-*
 10 *retary may waive any provision of section 202 of the Hous-*
 11 *ing Act of 1959 and section 811 of the National Affordable*
 12 *Housing Act (including the provisions governing the terms*
 13 *and conditions of project rental assistance) that the Sec-*
 14 *retary determines is not necessary to achieve the objectives*
 15 *of these programs, or that otherwise impedes the ability to*
 16 *develop, operate or administer projects assisted under these*
 17 *programs, and may make provision for alternative condi-*
 18 *tions or terms where appropriate.*

19 *PUBLIC HOUSING DEMOLITION, SITE REVITALIZATION, AND*
 20 *REPLACEMENT HOUSING GRANTS*

21 *For grants to public housing agencies for the purposes*
 22 *of enabling the demolition of obsolete public housing projects*
 23 *or portions thereof, the revitalization (where appropriate)*
 24 *of sites (including remaining public housing units) on*
 25 *which such projects are located, replacement housing which*
 26 *will avoid or lessen concentrations of very low-income fami-*

1 lies, and tenant-based assistance in accordance with section
2 8 of the United States Housing Act of 1937 for the purpose
3 of providing replacement housing and assisting tenants to
4 be displaced by the demolition, \$500,000,000, to remain
5 available until expended: Provided, That the Secretary shall
6 award such funds to public housing agencies by a competi-
7 tion which includes among other relevant criteria the local
8 and national impact of the proposed demolition and revi-
9 talization activities and the extent to which the public hous-
10 ing agency could undertake such activities without the addi-
11 tional assistance to be provided hereunder: Provided fur-
12 ther, That eligible expenditures hereunder shall be those ex-
13 penditures eligible under section 8 and section 14 of the
14 United States Housing Act of 1937 (42 U.S.C. 1437f and
15 l): Provided further, That the Secretary may impose such
16 conditions and requirements as the Secretary deems appro-
17 priate to effectuate the purposes of this paragraph: Provided
18 further, That the Secretary may require an agency selected
19 to receive funding to make arrangements satisfactory to the
20 Secretary for use of an entity other than the agency to carry
21 out this program where the Secretary determines that such
22 action will help to effectuate the purpose of this paragraph:
23 Provided further, That in the event an agency selected to
24 receive funding does not proceed expeditiously as deter-
25 mined by the Secretary, the Secretary shall withdraw any

1 *funding made available pursuant to this paragraph and*
 2 *that has not been obligated by the agency and distribute*
 3 *such funds to one or more other eligible agencies: Provided*
 4 *further, That of the foregoing \$500,000,000, the Secretary*
 5 *may use up to .67 per centum for technical assistance, to*
 6 *be provided directly or indirectly by grants, contracts or*
 7 *cooperative agreements, including training and cost of nec-*
 8 *essary travel for participants in such training, by or to*
 9 *officials and employees of the Department and of public*
 10 *housing agencies and to residents: Provided further, That*
 11 *any replacement housing provided with assistance under*
 12 *this head shall be subject to section 18(f) of the United*
 13 *States Housing Act of 1937, as amended by section*
 14 *201(b)(2) of this Act.*

15 *ASSISTANCE FOR THE RENEWAL OF EXPIRING SECTION 8*

16 *SUBSIDY CONTRACTS*

17 *(INCLUDING TRANSFER OF FUNDS)*

18 *For assistance under the United States Housing Act*
 19 *of 1937 (42 U.S.C. 1437) not otherwise provided for, for*
 20 *use in connection with expiring section 8 subsidy contracts,*
 21 *\$4,350,862,000, to remain available until expended: Pro-*
 22 *vided, That to the extent the amount in this appropriation*
 23 *is insufficient to fund all expiring section 8 contracts, the*
 24 *Secretary may transfer to and merge with this appropria-*
 25 *tion such amounts from the "Annual contributions for as-*
 26 *sisted housing" appropriation as the Secretary shall deter-*

1 *mine, and amounts earmarked in the foregoing account*
 2 *may be reduced accordingly, at the Secretary's discretion:*
 3 *Provided further, That the Secretary may maintain consoli-*
 4 *dated accounting data for funds disbursed at the public*
 5 *housing agency or Indian housing authority or project level*
 6 *for subsidy assistance regardless of the source of the dis-*
 7 *bursement so as to minimize the administrative burden of*
 8 *multiple accounts: Provided further, That the Secretary*
 9 *may determine not to apply section 8(o)(6)(B) of the Act*
 10 *to renewals of housing vouchers during fiscal year 1996.*

11 **(17)**Page 26, line 16, strike out **【\$2,500,000,000】** and
 12 insert: *\$2,800,000,000*

13 **(18)**Page 26, after line 16 insert:

14 *DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING*

15 *For grants to public and Indian housing agencies for*
 16 *use in eliminating crime in public housing projects author-*
 17 *ized by 42 U.S.C. 11901–11908, and for drug information*
 18 *clearinghouse services authorized by 42 U.S.C. 11921–*
 19 *11925, \$290,000,000, to remain available until expended,*
 20 *of which \$10,000,000 shall be for grants, technical assist-*
 21 *ance, contracts and other assistance training, program as-*
 22 *essment, and execution for or on behalf of public housing*
 23 *agencies and resident organizations (including the cost of*
 24 *necessary travel for participants in such training): Pro-*
 25 *vided, That after setting aside amounts in 42 U.S.C.*

1 11909(b) for grants for federally assisted low-income hous-
 2 ing, the Secretary, notwithstanding 42 U.S.C. 11904, may
 3 provide grants through a formula taking into account the
 4 needs of public housing agencies for anti-crime funding,
 5 and the amount of funding public housing agencies have
 6 received under this heading during fiscal years 1993, 1994,
 7 and 1995, but which does not exclude an eligible agency
 8 that has not received funding during that period: Provided
 9 further, That the term “drug-related crime”, as defined in
 10 42 U.S.C. 11905(2), shall also include other types of crime
 11 as determined by the Secretary.

12 **(19)**Page 26, strike out all after line 22, over to and in-
 13 cluding line 10 on page 27

14 **(20)**Page 27, line 24, after “For” insert: *grants awarded*
 15 *or allocated by the Secretary of Housing and Urban Devel-*
 16 *opment, through a competition or by formula, for the pur-*
 17 *pose of providing housing and services for homeless individ-*
 18 *uals and families to be delivered by entities eligible to re-*
 19 *ceive assistance under, and to fund eligible activities de-*
 20 *scribed in,*

21 **(21)**Page 28, line 7, after “Act;” insert: *and*

22 **(22)**Page 28, line 8, strike out all after “Act)” down to
 23 and including “103–120)),” in line 11

1 **(23)**Page 28, line 11, strike out **【\$676,000,000】** and in-
2 sert: *\$760,000,000*

3 **(24)**Page 28, line 12, after “expended.” insert: *To the*
4 *extent the Secretary determines to use a formula under this*
5 *heading, the Secretary shall use the existing formula as pro-*
6 *vided under the Emergency Shelter Grants program under*
7 *section 413 of the Stewart B. McKinney Homeless Assist-*
8 *ance Act and promulgate any rules under the rulemaking*
9 *procedures under section 553 of title 5, United States Code.*
10 *The Secretary shall report, within one year of the date of*
11 *enactment, on ways to merge the homeless assistance pro-*
12 *grams under the Stewart B. McKinney Homeless Assistance*
13 *Act with the HOME program under title II of the Cranston-*
14 *Gonzalez National Affordable Housing Act.*

15 **(25)**Page 28, line 22, strike out **【\$46,000,000】** and in-
16 sert: *\$60,000,000*

17 **(26)**Page 28, line 25, after “5301),” insert: *\$2,000,000*
18 *shall be available as a grant to the Housing Assistance*
19 *Council, \$1,000,000 shall be available as a grant to the Na-*
20 *tional American Indian Housing Council,*

21 **(27)**Page 28, line 26, strike out **【\$19,500,000】** and in-
22 sert: *\$27,000,000*

1 **(28)**Page 29, line 3, strike out all after “than” down to
 2 and including “Act” in line 4 and insert: *a grant made*
 3 *available under the preceding proviso to the Housing Assist-*
 4 *ance Council or the National American Indian Housing*
 5 *Council, or a grant using funds under section 107(b)(3) of*
 6 *the Housing and Community Development Act of 1974)*

7 **(29)**Page 29, line 8, after “ment” insert: *: Provided fur-*
 8 *ther, That section 105(a)(25) of such Act, as added by sec-*
 9 *tion 907(b)(1) of the Cranston-Gonzalez National Affordable*
 10 *Housing Act, shall continue to be effective after September*
 11 *30, 1995, notwithstanding section 907(b)(2) of such Act*

12 **(30)**Page 29, line 8, after “ment” insert: *: Provided fur-*
 13 *ther, That section 916 of the Cranston-Gonzalez National*
 14 *Affordable Housing Act shall apply with respect to fiscal*
 15 *year 1996, notwithstanding section 916(f) of that Act*

16 **(31)**Page 29, after line 8, insert:

17 *Of the amount provided under this heading, the Sec-*
 18 *retary of Housing and Urban Development may use up to*
 19 *\$80,000,000 for grants to public housing agencies (includ-*
 20 *ing Indian housing authorities), nonprofit corporations,*
 21 *and other appropriate entities for a supportive services pro-*
 22 *gram to assist residents of public and assisted housing,*
 23 *former residents of such housing receiving tenant-based as-*
 24 *sistance under section 8 of such Act (42 U.S.C. 1437f), and*

1 *other low-income families and individuals become self-suffi-*
2 *cient: Provided, That the program shall provide supportive*
3 *services to the elderly and the disabled and to families with*
4 *children where the head of household would benefit from the*
5 *receipt of supportive services and is working, seeking work,*
6 *or is preparing for work by participating in job training*
7 *or educational programs: Provided further, That the sup-*
8 *portive services shall include congregate services for the el-*
9 *derly and disabled, service coordinators, and coordinated*
10 *educational, training, and other supportive services, includ-*
11 *ing academic skills training, job search assistance, assist-*
12 *ance related to retaining employment, vocational and entre-*
13 *preneurship development and support programs, transpor-*
14 *tation, and child care: Provided further, That the Secretary*
15 *shall require applicants to demonstrate firm commitments*
16 *of funding or services from other sources: Provided further,*
17 *That the Secretary shall select public and Indian housing*
18 *agencies to receive assistance under this head on a competi-*
19 *tive basis, taking into account the quality of the proposed*
20 *program (including any innovative approaches), the extent*
21 *of the proposed coordination of supportive services, the ex-*
22 *tent of commitments of funding or services from other*
23 *sources, the extent to which the proposed program includes*
24 *reasonably achievable, quantifiable goals for measuring per-*
25 *formance under the program over a three-year program, the*

1 *extent of success an agency has had in carrying out other*
2 *comparable initiatives, and other appropriate criteria es-*
3 *tablished by the Secretary: Provided further, That of the*
4 *amount made available under this paragraph, \$12,000,000*
5 *shall be available for contracts, grants, and other assistance,*
6 *other than loans, not otherwise provided for, for providing*
7 *counseling and advice to tenants and homeowners both cur-*
8 *rent and prospective, with respect to property maintenance,*
9 *financial management, and such other matters as may be*
10 *appropriate to assist them in improving their housing con-*
11 *ditions and meeting the responsibilities of tenancy or home-*
12 *ownership, including provisions for training and for sup-*
13 *port of voluntary agencies and services as authorized by sec-*
14 *tion 106 of the Housing and Urban Development Act of*
15 *1968, as amended, notwithstanding section 106(c)(9) and*
16 *section 106(d)(13) of such Act. Of the amount provided*
17 *under this heading, notwithstanding any other provision of*
18 *law, \$40,000,000 shall be available for youthbuild program*
19 *activities authorized by subtitle D of title IV of the Cran-*
20 *ston-Gonzalez National Affordable Housing Act, as amend-*
21 *ed, and shall be an eligible activity with respect to any*
22 *funds made available under this heading. Of the amount*
23 *provided under this heading, notwithstanding any other*
24 *provision of law, \$80,000,000 shall be available for Eco-*
25 *nomic Development Initiative grants as authorized by sec-*

1 *tion 232 of the Multifamily Housing Property Disposition*
 2 *Reform Act of 1994, Public Law 103–233, on a competitive*
 3 *basis as required by section 102 of the HUD Reform Act.*

4 **(32)**Page 29, line 9, strike out **【\$10,500,000】** and insert:
 5 *\$15,750,000*

6 **(33)**Page 29, line 16, strike out **【\$1,000,000,000】** and
 7 insert: *\$1,500,000,000*

8 **(34)**Page 29, line 18, strike out **【\$225,000】** and insert:
 9 *\$675,000*

10 **(35)**Page 29, after line 20 insert:

11 *The amount made available for fiscal year 1995 for*
 12 *a special purpose grant for the renovation of the central*
 13 *terminal in Buffalo, New York, shall be made available for*
 14 *the central terminal and for other public facilities in Buf-*
 15 *falo, New York.*

16 **(36)**Page 30, strike out lines 7 through 13

17 **(37)**Page 30, line 21, strike out **【\$951,988,000】** and in-
 18 sert: *\$980,777,000*

19 **(38)**Page 30, line 21, strike out **【\$505,745,000】** and in-
 20 sert: *\$532,782,000*

21 **(39)**Page 30, line 23, strike out **【\$8,824,000】** and insert:
 22 *\$9,101,000*

1 **(40)**Page 30, line 25, strike out **【\$225,000】** and insert:

2 *\$675,000*

3 **(41)**Page 31, line 5, strike out **【\$47,388,000】** and insert:

4 *\$48,251,000*

5 **(42)**Page 31, line 6, strike out **【\$10,961,000】** and insert:

6 *\$11,283,000*

7 **(43)**Page 31, strike out lines 8 through 17

8 **(44)**Page 31, line 25, after “\$110,000,000,000” insert:

9 *: Provided, That during fiscal year 1996, the Secretary*
10 *shall sell assigned mortgage notes having an unpaid prin-*
11 *cipal balance of up to \$4,000,000,000, which notes were*
12 *originally insured under section 203(b) of the National*
13 *Housing Act: Provided further, That the Secretary may use*
14 *any negative subsidy amounts from the sale of such as-*
15 *signed mortgage notes during fiscal year 1996 for the dis-*
16 *position of properties or notes under this heading*

17 **(45)**Page 32, line 10, strike out **【\$308,846,000】** and in-

18 sert: *\$341,595,000*

19 **(46)**Page 32, line 13, strike out **【\$308,290,000】** and in-

20 sert: *\$334,483,000*

21 **(47)**Page 32, line 15, strike out **【\$6,790,000】** and insert:

22 *\$7,112,000*

1 **(48)**Page 32, line 19, strike out **【Total】** and insert:

2 *For the cost of guaranteed loans, as authorized by sec-*
 3 *tions 238 and 519 of the National Housing Act (12 U.S.C.*
 4 *1715z-3 and 1735c), including the cost of modifying such*
 5 *loans, \$100,000,000, to remain available until expended:*
 6 *Provided, That such costs shall be as defined in section 502*
 7 *of the Congressional Budget Act of 1974: Provided further,*
 8 *That these funds are available to subsidize total*

9 **(49)**Page 32, line 20, strike out **【shall not】** and insert:

10 *of not to*

11 **(50)**Page 32, line 20, strike out **【\$15,000,000,000】** and

12 insert: *\$17,400,000,000*

13 **(51)**Page 32, line 20, strike out **【Provided,】** and insert:

14 *Provided further, That during fiscal year 1996, the Sec-*
 15 *retary shall sell assigned notes having an unpaid principal*
 16 *balance of up to \$4,000,000,000, which notes were origi-*
 17 *nally obligations of the funds established under sections 238*
 18 *and 519 of the National Housing Act: Provided further,*
 19 *That the Secretary may use any negative subsidy amounts*
 20 *from the sale of such assigned mortgage notes during fiscal*
 21 *year 1996, in addition to amounts otherwise provided, for*
 22 *the disposition of properties or notes under this heading (in-*
 23 *cluding the credit subsidy for the guarantee of loans or the*
 24 *reduction of positive credit subsidy amounts that would oth-*

1 *erwise be required for the sale of such properties or notes),*
 2 *and for any other purpose under this heading: Provided fur-*
 3 *ther,*

4 **(52)**Page 33, line 1, strike out **【made available for obli-**
 5 **gation】** and insert: *obligated*

6 **(53)**Page 33, line 6, strike out all after “amounts” over
 7 to and including “1974” in line 10 on page 34

8 **(54)**Page 34, line 24, strike out **【\$197,470,000】** and in-
 9 sert: *\$202,470,000*

10 **(55)**Page 34, line 24, strike out **【\$197,455,000】** and in-
 11 sert: *\$198,299,000*

12 **(56)**Page 35, line 13, strike out **【\$8,824,000】** and insert:
 13 *\$9,101,000*

14 **(57)**Page 35, line 15, strike out **【\$8,824,000】** and insert:
 15 *\$9,101,000*

16 **(58)**Page 35, strike out all after line 19 over to and in-
 17 cluding line 2 on page 50 and insert:

18 ***SEC. 201. EXTEND ADMINISTRATIVE PROVISIONS FROM***
 19 ***THE RESCISSION ACT.***

20 *(a) PUBLIC AND INDIAN HOUSING MODERNIZATION.—*

1 (1) *EXPANSION OF USE OF MODERNIZATION*
2 *FUNDING.*—Subsection 14(q) of the United States
3 Housing Act of 1937 is amended to read as follows:

4 “(q)(1) In addition to the purposes enumerated in sec-
5 tions 14(a), 14(b), and 5(a), a public housing agency may
6 use modernization assistance provided under section 14,
7 and development assistance provided under section 5(a), for
8 any eligible activity authorized by either of those sections
9 or by applicable Appropriations Acts, including the demoli-
10 tion, rehabilitation, revitalization, and replacement of ex-
11 isting units and projects and, for up to 10 percent of its
12 allocation of such funds in any fiscal year, for any operat-
13 ing subsidy purpose authorized in section 9. Units and
14 projects assisted hereunder shall be for low-income families
15 and shall be eligible for operating subsidies subject to the
16 availability of appropriated funds.

17 “(2) A public housing agency may provide assistance
18 to developments that include units for other than low-in-
19 come families, hereinafter called “mixed income develop-
20 ments”, in the form of a grant, loan, or other form of invest-
21 ment which may be made to: (A) the public housing agency
22 or an affiliate controlled by it; (B) a partnership, a limited
23 liability company, or other legal entity in which the public
24 housing agency or its affiliate is a general partner, manag-
25 ing member, or otherwise significantly directs the activities

1 of such entity; or (C) any entity which grants to the public
2 housing agency the option to purchase the development
3 within 20 years after initial occupancy in accordance with
4 section 42(l)(7) of the Internal Revenue Code of 1986, as
5 amended: Provided, That units shall be made available in
6 such developments for periods of not less than 20 years, by
7 master contract or by individual lease, for occupancy by
8 low-income families referred from time to time by the public
9 housing agency; the number of such units shall be either:
10 (i) in the same proportion to the total number of units in
11 such development that the financial assistance provided by
12 the public housing agency bears to the total equity invest-
13 ment in the development, or (ii) not be less than the number
14 of units that could have been developed under the conven-
15 tional public housing program with the assistance involved,
16 or (iii) as may otherwise be approved by the Secretary.

17 “(3) A mixed income development may elect to have
18 all units subject only to the applicable local real estate
19 taxes, notwithstanding that the low-income units assisted
20 by public housing funds would otherwise be subject to sec-
21 tion 6(d) of the Housing Act of 1937.”.

22 (2) EXTENSION OF AUTHORITY.—Section 1001(b)
23 of the Emergency Supplemental Appropriations for
24 Additional Disaster Assistance, for Antiterrorism Ini-
25 tiatives, for Assistance in the Recovery from the Trag-

1 *edy that Occurred at Oklahoma City, and Rescissions*
2 *Act, 1995 (109 Stat. 235), is amended to read as fol-*
3 *lows:*

4 “(b) *APPLICABILITY.—Section 14(q) of the United*
5 *States Housing Act of 1937, as added by subsection (a) of*
6 *this section, shall be effective only with respect to assistance*
7 *provided from funds made available for fiscal year 1996*
8 *or any preceding fiscal year.”.*

9 (3) *APPLICABILITY.—In accordance with section*
10 *201(b)(2) of the United States Housing Act of 1937,*
11 *the amendment made by subsection (a) shall apply to*
12 *public housing developed or operated pursuant to a*
13 *contract between the Secretary of Housing and Urban*
14 *Development and an Indian housing authority.”.*

15 (b) *ONE-FOR-ONE REPLACEMENT OF PUBLIC AND IN-*
16 *DIAN HOUSING.—*

17 (1) *PERMANENT AUTHORITY.—Section 1002(d)*
18 *of Public Law 104–19 is amended to read as follows:*

19 “(d) *Subsections (a), (b), and (c) shall be effective for*
20 *applications for the demolition, disposition, or conversion*
21 *to homeownership of public housing approved by the Sec-*
22 *retary, and other consolidation and relocation activities of*
23 *public housing agencies undertaken on, before, or after Sep-*
24 *tember 30, 1995 and before September 30, 1996.”.*

1 (2) *Section 18(f) of the United States Housing*
2 *Act of 1937 is amended by adding at the end the fol-*
3 *lowing new sentence: “No one may rely on the preced-*
4 *ing sentence as the basis for reconsidering a final*
5 *order of a court issued, or a settlement approved by,*
6 *a court.”.*

7 (3) *APPLICABILITY.—In accordance with section*
8 *201(b)(2) of the United States Housing Act of 1937,*
9 *the amendments made by this section and by sections*
10 *1002 (a), (b), and (c) of Public Law 104–19 shall*
11 *apply to public housing developed or operated pursu-*
12 *ant to a contract between the Secretary of Housing*
13 *and Urban Development and an Indian housing au-*
14 *thority.*

15 **SEC. 202. PUBLIC HOUSING RENTS AND INCOME**
16 **TARGETING.**

17 (a) *MINIMUM RENTS.—Section 3(a)(1) of the United*
18 *States Housing Act of 1937 is amended by inserting at the*
19 *end the following new sentence: “Where the rent determined*
20 *under the previous sentence is less than \$25, the Secretary*
21 *shall permit a public housing agency to charge a family*
22 *residing in public housing up to \$25 as rent.”.*

23 (b) *ESTABLISHMENT OF CEILING RENTS.—Section*
24 *3(a)(2) of the United States Housing Act of 1937 is amend-*
25 *ed to read as follows:*

1 “(2) Notwithstanding paragraph (1), a public
2 housing agency may—

3 “(A) adopt ceiling rents that reflect the rea-
4 sonable market value of the housing, but that are
5 not less than the monthly costs—

6 “(i) to operate the housing of the agen-
7 cy; and

8 “(ii) to make a deposit to a replace-
9 ment reserve (in the sole discretion of the
10 public housing agency); and

11 “(B) allow families to pay ceiling rents re-
12 ferred to in subparagraph (A), unless, with re-
13 spect to any family, the ceiling rent established
14 under this paragraph would exceed the amount
15 payable as rent by that family under paragraph
16 (1).”.

17 (c) *DEFINITION OF ADJUSTED INCOME.*—Section
18 3(b)(5) of the United States Housing Act of 1937 is amend-
19 ed—

20 (1) at the end of subparagraph (F), by striking
21 “and”;

22 (2) at the end of subparagraph (G), by striking
23 the period and inserting “; and ”; and

24 (3) by inserting after subparagraph (G) the fol-
25 lowing:

1 “(H) for public housing, any other adjust-
2 ments to earned income established by the public
3 housing agency.

4 If a public housing agency adopts other adjustments
5 to income pursuant to subparagraph (H), the Sec-
6 retary (i) shall not take into account any reduction
7 of or increase in the public housing agency’s per unit
8 dwelling rental income resulting from those adjust-
9 ments when calculating the contributions under sec-
10 tion 9 for the public housing agency for the operation
11 of the public housing.”.

12 (d) REPEAL OF FEDERAL PREFERENCES.—

13 (1) PUBLIC HOUSING.—

14 Section 6(c)(4)(A) of the United States
15 Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A))
16 is amended to read as follows:

17 “(A) the establishment, after public notice
18 and an opportunity for public comment, of writ-
19 ten system of preferences for admission to public
20 housing, if any, that is not inconsistent with the
21 comprehensive housing affordability strategy
22 under title I of the Cranston-Gonzalez National
23 Affordable Housing Act;”.

24 (2) SECTION 8 EXISTING AND MODERATE REHA-
25 BILITATION.—Section 8(d)(1)(A) of the United States

1 *Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is*
2 *amended to read as follows:*

3 “(A) the selection of tenants shall be the
4 function of the owner, subject to the provisions of
5 the annual contributions contract between the
6 Secretary and the agency, except that for the cer-
7 tificate and moderate rehabilitation programs
8 only, for the purpose of selecting families to be
9 assisted, the public housing agency may estab-
10 lish, after public notice and an opportunity for
11 public comment, a written system of preferences
12 for selection that is not inconsistent with the
13 comprehensive housing affordability strategy
14 under title I of the Cranston-Gonzalez National
15 Affordable Housing Act;”.

16 (3) *SECTION 8 VOUCHER PROGRAM.*—Section
17 8(o)(3)(B) of the United States Housing Act of 1937
18 (42 U.S.C. 1437f(o)(3)(B)) is amended to read as fol-
19 lows:

20 “(B) For the purpose of selecting families to
21 be assisted under this subsection, the public hous-
22 ing agency may establish, after public notice and
23 an opportunity for public comment, a written
24 system of preferences for selection that is not in-
25 consistent with the comprehensive housing af-

1 *fordability strategy under title I of the Cranston-*
2 *Gonzalez National Affordable Housing Act.”.*

3 (4) *SECTION 8 NEW CONSTRUCTION AND SUB-*
4 *STANTIAL REHABILITATION.—*

5 (A) *REPEAL.—Section 545(c) of the Cran-*
6 *ston-Gonzalez National Affordable Housing Act*
7 *(42 U.S.C. 1437f note) is amended to read as fol-*
8 *lows:*

9 “(c) [Reserved.]”.

10 (B) *PROHIBITION.—Notwithstanding any*
11 *other provision of law, no Federal tenant selec-*
12 *tion preferences shall apply with respect to—*

13 (i) *housing constructed or substantially*
14 *rehabilitated pursuant to assistance pro-*
15 *vided under section 8(b)(2) of the United*
16 *States Housing Act of 1937 (as such section*
17 *existed on the day before October 1, 1983);*
18 *or*

19 (ii) *projects financed under section 202*
20 *of the Housing Act of 1959 (as such section*
21 *existed on the day before the date of enact-*
22 *ment of the Cranston-Gonzalez National Af-*
23 *fordable Housing Act).*

1 (5) *RENT SUPPLEMENTS.*—Section 101(k) of the
2 *Housing and Urban Development Act of 1965* (12
3 *U.S.C. 1701s(k)*) is amended to read as follows:

4 “(k) [Reserved.]”.

5 (6) *CONFORMING AMENDMENTS.*—

6 (A) *UNITED STATES HOUSING ACT OF*
7 *1937.*—The *United States Housing Act of 1937*
8 (42 *U.S.C. 1437 et seq.*) is amended—

9 (i) in section 6(o), by striking “pref-
10 erence rules specified in” and inserting
11 “written system of preferences for selection
12 established pursuant to”;

13 (ii) in section 7(a)(2), by striking “ac-
14 cording to the preferences for occupancy
15 under” and inserting “in accordance with
16 the written system of preferences for selec-
17 tion established pursuant to”;

18 (iii) in section 8(d)(2)(A), by striking
19 the last sentence;

20 (iv) in section 8(d)(2)(H), by striking
21 “notwithstanding subsection (d)(1)(A)(i),
22 an” and inserting “An”;

23 (v) in section 16(c), in the second sen-
24 tence, by striking “the system of preferences
25 established by the agency pursuant to sec-

tion 6(c)(4)(A)(ii)” and inserting “the written system of preferences for selection established by the public housing agency pursuant to section 6(c)(4)(A)”;

(vi) in section 24(e)—

(I) by striking “(e) EXCEPTIONS.” and all that follows through “The Secretary may” and inserting the following:

“(e) EXCEPTION TO GENERAL PROGRAM REQUIREMENTS.—The Secretary may”;

(II) by striking paragraph (2).

(B) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 522(f)(b)(B) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended by striking “any preferences for such assistance under section 8(d)(1)(A)(i)” and inserting “written system of preferences for selection established pursuant to section 8(d)(1)(A)”.

(C) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking “the pref-

1 *erences” and all that follows through the period*
 2 *at the end and inserting “any preferences”.*

3 (D) *REFERENCES IN OTHER LAW.*—Any ref-
 4 *erence in any Federal law other than any provi-*
 5 *sion of any law amended by paragraphs (1)*
 6 *through (5) of this subsection to the preferences*
 7 *for assistance under section 6(c)(4)(A)(i),*
 8 *8(d)(1)(A)(i), or 8(o)(3)(B) of the United States*
 9 *Housing Act of 1937 (as such sections existed on*
 10 *the day before the date of enactment of this Act)*
 11 *shall be considered to refer to the written system*
 12 *of preferences for selection established pursuant*
 13 *to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(3)(B),*
 14 *respectively, of the United States Housing Act of*
 15 *1937, as amended by this section.*

16 (e) *APPLICABILITY.*—In accordance with section
 17 *201(b)(2) of the United States Housing Act of 1937, the*
 18 *amendments made by subsections (a), (b), (c), and (d) of*
 19 *this section shall also apply to public housing developed or*
 20 *operated pursuant to a contract between the Secretary of*
 21 *Housing and Urban Development and an Indian housing*
 22 *authority.*

23 **SEC. 203. CONVERSION OF CERTAIN PUBLIC HOUSING TO**
 24 **VOUCHERS.**

25 (a) *IDENTIFICATION OF UNITS.*—

1 (1) *Each public housing agency shall identify*
2 *any public housing developments—*

3 (A) *that are on the same or contiguous sites;*

4 (B) *that total more than—*

5 (i) *600 dwelling units; or*

6 (ii) *in the case of high-rise family*
7 *buildings or substantially vacant buildings,*
8 *300 dwelling units;*

9 (C) *that have a vacancy rate of at least 10*
10 *percent for dwelling units not in funded on-*
11 *schedule modernization programs;*

12 (D) *identified as distressed housing that the*
13 *public housing agency cannot assure the long-*
14 *term viability as public housing through revital-*
15 *ization, density reduction, or achievement of a*
16 *broader range of household income; and*

17 (E) *for which the estimated cost of contin-*
18 *ued operation and modernization of the develop-*
19 *ments as public housing exceeds the cost of pro-*
20 *viding tenant-based assistance under section 8 of*
21 *the United States Housing Act of 1937 for all*
22 *families in occupancy, based on appropriate in-*
23 *dicators of cost (such as the percentage of total*
24 *development cost required for modernization).*

25 (b) *IMPLEMENTATION AND ENFORCEMENT.—*

1 (1) *STANDARDS FOR IMPLEMENTATION.*—The
2 *Secretary shall establish standards to permit imple-*
3 *mentation of this section in fiscal year 1996.*

4 (2) *CONSULTATION.*—Each public housing agen-
5 *cy shall consult with the applicable public housing*
6 *tenants and the unit of general local government in*
7 *identifying any public housing developments under*
8 *subsection (a).*

9 (3) *FAILURE OF PHAS TO COMPLY WITH SUB-*
10 *SECTION (a).*—Where the Secretary determines that—

11 (A) *a public housing agency has failed*
12 *under subsection (a) to identify public housing*
13 *developments for removal from the inventory of*
14 *the agency in a timely manner;*

15 (B) *a public housing agency has failed to*
16 *identify one or more public housing develop-*
17 *ments which the Secretary determines should*
18 *have been identified under subsection (a); or*

19 (C) *one or more of the developments identi-*
20 *fied by the public housing agency pursuant to*
21 *subsection (a) should not, in the determination of*
22 *the Secretary, have been identified under that*
23 *subsection;*

1 *the Secretary may designate the developments to be*
2 *removed from the inventory of the public housing*
3 *agency pursuant to this section.*

4 *(c) REMOVAL OF UNITS FROM THE INVENTORIES OF*
5 *PUBLIC HOUSING AGENCIES.—*

6 *(1) Each public housing agency shall develop*
7 *and carry out a plan in conjunction with the Sec-*
8 *retary for the removal of public housing units identi-*
9 *fied under subsection (a) or subsection (b)(3), over a*
10 *period of up to five years, from the inventory of the*
11 *public housing agency and the annual contributions*
12 *contract. The plan shall be approved by the relevant*
13 *local official as consistent with the Comprehensive*
14 *Housing Affordability Strategy under title I of the*
15 *Housing and Community Development Act of 1992,*
16 *including a description of any disposition and demo-*
17 *lition plan for the public housing units.*

18 *(2) The Secretary may extend the deadline in*
19 *paragraph (1) for up to an additional five years*
20 *where the Secretary makes a determination that the*
21 *deadline is impracticable.*

22 *(3) The Secretary shall take appropriate actions*
23 *to ensure removal of developments identified under*
24 *subsection (a) from the inventory of a public housing*
25 *agency, if the public housing agency fails to ade-*

1 *quately develop a plan under paragraph (1), or fails*
2 *to adequately implement such plan in accordance*
3 *with the terms of the plan.*

4 (4) *To the extent approved in appropriations,*
5 *the Secretary may establish requirements and provide*
6 *funding under the Urban Revitalization Demonstra-*
7 *tion program for demolition and disposition of public*
8 *housing under this section.*

9 (5) *Notwithstanding any other provision of law,*
10 *if a development is removed from the inventory of a*
11 *public housing agency and the annual contributions*
12 *contract pursuant to paragraph (1), the Secretary*
13 *may authorize or direct the transfer of—*

14 (A) *in the case of an agency receiving as-*
15 *sistance under the comprehensive improvement*
16 *assistance program, any amounts obligated by*
17 *the Secretary for the modernization of such de-*
18 *velopment pursuant to section 14 of the United*
19 *States Housing Act of 1937;*

20 (B) *in the case of an agency receiving pub-*
21 *lic and Indian housing modernization assistance*
22 *by formula pursuant to section 14 of the United*
23 *States Housing Act of 1937, any amounts pro-*
24 *vided to the agency which are attributable pur-*
25 *suant to the formula for allocating such assist-*

1 *ance to the development removed from the inven-*
2 *tory of that agency; and*

3 *(C) in the case of an agency receiving as-*
4 *sistance for the major reconstruction of obsolete*
5 *projects, any amounts obligated by the Secretary*
6 *for the major reconstruction of the development*
7 *pursuant to section 5 of such Act,*
8 *to the tenant-based assistance program of such*
9 *agency.*

10 *(d) CONVERSION TO TENANT-BASED ASSISTANCE.—*

11 *(1) The Secretary shall make authority available*
12 *to a public housing agency to provide tenant-based*
13 *assistance pursuant to section 8 to families residing*
14 *in any development that is removed from the inven-*
15 *tory of the public housing agency and the annual con-*
16 *tributions contract pursuant to subsection (b).*

17 *(2) Each conversion plan under subsection (c)*
18 *shall—*

19 *(A) require the agency to notify families re-*
20 *siding in the development, consistent with any*
21 *guidelines issued by the Secretary governing such*
22 *notifications, that the development shall be re-*
23 *moved from the inventory of the public housing*
24 *agency and the families shall receive tenant-*

1 *based or project-based assistance, and to provide*
2 *any necessary counseling for families; and*

3 *(B) ensure that all tenants affected by a de-*
4 *termination under this section that a develop-*
5 *ment shall be removed from the inventory of a*
6 *public housing agency shall be offered tenant-*
7 *based or project-based assistance and shall be re-*
8 *located, as necessary, to other decent, safe, sani-*
9 *tary, and affordable housing which is, to the*
10 *maximum extent practicable, housing of their*
11 *choice.*

12 *(e) IN GENERAL.—*

13 *(1) The Secretary may require a public housing*
14 *agency to provide such information as the Secretary*
15 *considers necessary for the administration of this sec-*
16 *tion.*

17 *(2) As used in this section, the term “develop-*
18 *ment” shall refer to a project or projects, or to por-*
19 *tions of a project or projects, as appropriate.*

20 *(3) Section 18 of the United States Housing Act*
21 *of 1937 shall not apply to the demolition of develop-*
22 *ments removed from the inventory of the public hous-*
23 *ing agency under this section.*

1 **SEC. 204. STREAMLINING SECTION 8 TENANT-BASED AS-**
 2 **SISTANCE.**

3 (a) *“TAKE-ONE, TAKE-ALL”*.—Section 8(t) of the
 4 *United States Housing Act of 1937* is hereby repealed.

5 (b) *EXEMPTION FROM NOTICE REQUIREMENTS FOR*
 6 *THE CERTIFICATE AND VOUCHER PROGRAMS*.—Section
 7 8(c) of such Act is amended—

8 (1) in paragraph (8), by inserting after *“sec-*
 9 *tion”* the following: *“(other than a contract for assist-*
 10 *ance under the certificate or voucher program)”*; and

11 (2) in the first sentence of paragraph (9), by
 12 striking *“(but not less than 90 days in the case of*
 13 *housing certificates or vouchers under subsection (b)*
 14 *or (o))”* and inserting *“, other than a contract under*
 15 *the certificate or voucher program”*.

16 (c) *ENDLESS LEASE*.—Section 8(d)(1)(B) of such Act
 17 is amended—

18 (1) in clause (ii), by inserting *“during the term*
 19 *of the lease,”* after *“(ii)”*; and

20 (2) in clause (iii), by striking *“provide that”*
 21 and inserting *“during the term of the lease,”*.

22 **SEC. 205. (a) FAIR MARKET RENTALS**.—The Sec-
 23 retary shall establish fair market rentals for purposes of sec-
 24 tion 8(c)(1) of the *United States Housing Act of 1937*, as
 25 amended, that shall be effective for fiscal year 1996 and
 26 shall be based on the 40th percentile rent of rental distribu-

1 *tions of standard quality rental housing units. In establish-*
 2 *ing such fair market rentals, the Secretary shall consider*
 3 *only the rents for dwelling units occupied by recent movers*
 4 *and may not consider the rents for public housing dwelling*
 5 *units or newly constructed rental dwelling units.*

6 (b) ANNUAL ADJUSTMENTS.—Section 8(c)(2)(A) of the
 7 United States Housing Act of 1937, as amended (42 U.S.C.
 8 1437f(c)(2)(A)) is further amended—

9 (1) in the third sentence by inserting “and fiscal
 10 year 1996” after “1995”;

11 (2) in the fourth sentence, strike “For” and in-
 12 sert: “Except for assistance under the certificate pro-
 13 gram, for”;

14 (3) after the fourth sentence, insert:

15 “In the case of assistance under the certificate pro-
 16 gram, 0.01 shall be subtracted from the amount of the
 17 annual adjustment factor (except that the factor shall
 18 not be reduced to less than 1.0), and the adjusted rent
 19 shall not exceed the rent for a comparable unassisted
 20 unit of similar quality, type, and age in the same
 21 market area.”; and

22 (4) in the last sentence, by

23 (A) striking “sentence” and inserting “two
 24 sentences” and

1 (B) inserting “and fiscal year 1996” after
2 “1995”.

3 (c) *ADMINISTRATIVE FEES.*—Notwithstanding the sec-
4 ond sentence of section 8(q)(1) of the United States Housing
5 Act of 1937, as amended, for fiscal year 1996, the portions
6 of the fees for costs incurred by public housing agencies in
7 administering the certificate, voucher, and moderate reha-
8 bilitation programs under section 8 shall not exceed 7.0 per-
9 cent of the fair market rental established for a 2-bedroom
10 existing rental dwelling unit in the market area of the pub-
11 lic housing agency.

12 (d) *DELAY REISSUANCE OF VOUCHERS AND CERTIFI-*
13 *CATES.*—Notwithstanding any other provision of law, a
14 public housing agency administering certificate or voucher
15 assistance provided under subsection (b) or (o) of section
16 8 of the United States Housing Act of 1937, as amended,
17 shall delay for 6 months, the use of any amounts of such
18 assistance (or the certificate or voucher representing assist-
19 ance amounts) made available by the termination during
20 fiscal year 1996 of such assistance on behalf of any family
21 for any reason, but not later than October 1, 1996; with
22 the exception of any certificates assigned or committed to
23 project based assistance as permitted otherwise by the Act,
24 accomplished prior to the effective date of this Act.

1 **SEC. 206. PUBLIC HOUSING/SECTION 8 MOVING TO WORK**
2 **DEMONSTRATION.**

3 (a) *PURPOSE.*—The purpose of this demonstration is
4 to give public housing agencies and the Secretary of Hous-
5 ing and Urban Development the flexibility to design and
6 test various approaches for providing and administering
7 housing assistance that: reduce cost and achieve greater cost
8 effectiveness in Federal expenditures; give incentives to fam-
9 ilies with children where the head of household is working,
10 seeking work, or is preparing for work by participating in
11 job training, educational programs, or programs that assist
12 people to obtain employment and become economically self-
13 sufficient; and increase housing choices for lower-income
14 families.

15 (b) *PROGRAM AUTHORITY.*—The Secretary of Housing
16 and Urban Development shall conduct a demonstration pro-
17 gram under this section beginning in fiscal year 1996 under
18 which up to 30 public housing agencies (including Indian
19 housing authorities) administering the public or Indian
20 housing program and the section 8 housing assistance pay-
21 ments program may be selected by the Secretary to partici-
22 pate. The Secretary shall provide training and technical as-
23 sistance during the demonstration and conduct detailed
24 evaluations of up to 15 such agencies in an effort to identify
25 replicable program models promoting the purpose of the
26 demonstration. Under the demonstration, notwithstanding

1 *any provision of the United States Housing Act of 1937*
2 *except as provided in subsection (e), an agency may com-*
3 *bine operating assistance provided under section 9 of the*
4 *United States Housing Act of 1937, modernization assist-*
5 *ance provided under section 14 of such Act, and assistance*
6 *provided under section 8 of such Act for the certificate and*
7 *voucher programs, to provide housing assistance for low-*
8 *income families, as defined in section 3(b)(2) of the United*
9 *States Housing Act of 1937, and services to facilitate the*
10 *transition to work on such terms and conditions as the*
11 *agency may propose and the Secretary may approve.*

12 *(c) APPLICATION.—An application to participate in*
13 *the demonstration—*

14 *(1) shall request authority to combine assistance*
15 *under sections 8, 9, and 14 of the United States*
16 *Housing Act of 1937;*

17 *(2) shall be submitted only after the public hous-*
18 *ing agency provides for citizen participation through*
19 *a public hearing and, if appropriate, other means;*

20 *(3) shall include a plan developed by the agency*
21 *that takes into account comments from the public*
22 *hearing and any other public comments on the pro-*
23 *posed program, and comments from current and pro-*
24 *spective residents who would be affected, and that in-*
25 *cludes criteria for—*

1 (A) selecting families to be assisted, which
2 shall require that at least 75 percent of the fami-
3 lies selected to participate in the demonstration
4 shall be very low-income families, as defined in
5 section 3(b)(2) of the United States Housing Act
6 of 1937, and at least 50 percent of the families
7 selected shall have incomes that do not exceed 30
8 percent of the median family income for the
9 area, as determined by the Secretary with ad-
10 justments for smaller and larger families, except
11 that the Secretary may establish income ceilings
12 higher or lower than 30 percent of the median
13 for the area on the basis of the Secretary's find-
14 ings that such variations are necessary because
15 of unusually high or low family income;

16 (B) setting reasonable rents payable by fam-
17 ilies, which shall be designed to encourage em-
18 ployment and self-sufficiency by participating
19 families, consistent with the purpose of this dem-
20 onstration, such as by excluding some or all of
21 a family's earned income for purposes of deter-
22 mining rent;

23 (C) continuing to assist substantially the
24 same total number of eligible low-income families

1 *as would have been served had the amounts not*
2 *been combined;*

3 *(D) maintaining a comparable mix of fami-*
4 *lies (by family size) as would have been provided*
5 *had the amounts not been used under the dem-*
6 *onstration;*

7 *(E) assuring that housing assisted under*
8 *the demonstration program meets housing qual-*
9 *ity standards established or approved by the Sec-*
10 *retary; and*

11 *(F) other program design features required*
12 *by the Secretary; and*

13 *(4) may request assistance for training and tech-*
14 *nical assistance to assist with design of the dem-*
15 *onstration and to participate in a detailed evalua-*
16 *tion.*

17 *(d) SELECTION.—In selecting among applications, the*
18 *Secretary shall take into account the potential of each agen-*
19 *cy to plan and carry out a program under the demonstra-*
20 *tion, the relative performance by an agency under the pub-*
21 *lic housing management assessment program under section*
22 *6(j) of the United States Housing Act of 1937, and other*
23 *appropriate factors as determined by the Secretary.*

24 *(e) APPLICABILITY OF 1937 ACT PROVISIONS.—*

1 (1) *Section 18 of the United States Housing Act*
2 *of 1937 shall continue to apply to public housing not-*
3 *withstanding any use of the housing under this dem-*
4 *onstration.*

5 (2) *Section 12 of such Act shall apply to housing*
6 *assisted under the demonstration, other than housing*
7 *occupied by families receiving tenant-based assist-*
8 *ance.*

9 (f) *EFFECT ON SECTION 8, OPERATING SUBSIDIES,*
10 *AND COMPREHENSIVE GRANT PROGRAM ALLOCATIONS.—*
11 *The amount of assistance received under section 8, section*
12 *9, or pursuant to section 14 by a public housing agency*
13 *participating in the demonstration under this part shall*
14 *not be affected by its participation.*

15 (g) *RECORDS, REPORTS, AND AUDITS.—*

16 (1) *KEEPING OF RECORDS.—Each agency shall*
17 *keep such records as the Secretary may prescribe as*
18 *reasonably necessary to disclose the amounts and the*
19 *disposition of amounts under this demonstration, to*
20 *ensure compliance with the requirements of this sec-*
21 *tion, and to measure performance.*

22 (2) *REPORTS.—Each agency shall submit to the*
23 *Secretary a report, or series of reports, in a form and*
24 *at a time specified by the Secretary. Each report*
25 *shall—*

1 (A) document the use of funds made avail-
2 able under this section;

3 (B) provide such data as the Secretary may
4 request to assist the Secretary in assessing the
5 demonstration; and

6 (C) describe and analyze the effect of as-
7 sisted activities in addressing the objectives of
8 this part.

9 (3) ACCESS TO DOCUMENTS BY THE SEC-
10 RETARY.—The Secretary shall have access for the pur-
11 pose of audit and examination to any books, docu-
12 ments, papers, and records that are pertinent to as-
13 sistance in connection with, and the requirements of,
14 this section.

15 (4) ACCESS TO DOCUMENTS BY THE COMPTROL-
16 LER GENERAL.—The Comptroller General of the Unit-
17 ed States, or any of the duly authorized representa-
18 tives of the Comptroller General, shall have access for
19 the purpose of audit and examination to any books,
20 documents, papers, and records that are pertinent to
21 assistance in connection with, and the requirements
22 of, this section.

23 (h) EVALUATION AND REPORT.—

24 (1) CONSULTATION WITH PHA AND FAMILY REP-
25 RESENTATIVES.—In making assessments throughout

1 *the demonstration, the Secretary shall consult with*
2 *representatives of public housing agencies and resi-*
3 *dents.*

4 *(2) REPORT TO CONGRESS.—Not later than 180*
5 *days after the end of the third year of the demonstra-*
6 *tion, the Secretary shall submit to the Congress a re-*
7 *port evaluating the programs carried out under the*
8 *demonstration. The report shall also include findings*
9 *and recommendations for any appropriate legislative*
10 *action.*

11 *(i) FUNDING FOR TECHNICAL ASSISTANCE AND EVAL-*
12 *UATION.—From amounts appropriated for assistance under*
13 *section 14 of the United States Housing Act of 1937 for*
14 *fiscal years 1996, 1997, and 1998, the Secretary may use*
15 *up to a total of \$5,000,000—*

16 *(1) to provide, directly or by contract, training*
17 *and technical assistance—*

18 *(A) to public housing agencies that express*
19 *an interest to apply for training and technical*
20 *assistance pursuant to subsection (c)(4), to assist*
21 *them in designing programs to be proposed for*
22 *the demonstration; and*

23 *(B) to up to 10 agencies selected to receive*
24 *training and technical assistance pursuant to*

1 *subsection (c)(4), to assist them in implementing*
 2 *the approved program; and*
 3 *(2) to conduct detailed evaluations of the activi-*
 4 *ties of the public housing agencies under paragraph*
 5 *(1)(B), directly or by contract.*

6 **SEC. 207. REPEAL OF PROVISIONS REGARDING INCOME DIS-**
 7 **REGARDS.**

8 *(a) MAXIMUM ANNUAL LIMITATION ON RENT IN-*
 9 *CREASES RESULTING FROM EMPLOYMENT.—Section 957 of*
 10 *the Cranston-Gonzalez National Affordable Housing Act is*
 11 *hereby repealed, retroactive to November 28, 1990, and shall*
 12 *be of no effect.*

13 *(b) ECONOMIC INDEPENDENCE.—Section 923 of the*
 14 *Housing and Community Development Act of 1992 is here-*
 15 *by repealed, retroactive to October 28, 1992, and shall be*
 16 *of no effect.*

17 **SEC. 208. EXTENSION OF MULTIFAMILY HOUSING FINANCE**
 18 **PROGRAMS.**

19 *(a) The first sentence of section 542(b)(5) of the Hous-*
 20 *ing and Community Development Act of 1992 (12 U.S.C.*
 21 *1707 note) is amended by striking “on not more than*
 22 *15,000 units over fiscal years 1993 and 1994” and inserting*
 23 *“on not more than 7,500 units during fiscal year 1996”.*

24 *(b) The first sentence of section 542(c)(4) of the Hous-*
 25 *ing and Community Development Act of 1992 (12 U.S.C.*

1 1707 note) is amended by striking “on not to exceed 30,000
2 units over fiscal years 1993, 1994, and 1995” and inserting
3 “on not more than 10,000 units during fiscal year 1996”.

4 **SEC. 209. FORECLOSURE OF HUD-HELD MORTGAGES**
5 **THROUGH THIRD PARTIES.**

6 *During fiscal year 1996, the Secretary of Housing and*
7 *Urban Development may delegate to one or more entities*
8 *the authority to carry out some or all of the functions and*
9 *responsibilities of the Secretary in connection with the fore-*
10 *closure of mortgages held by the Secretary under the Na-*
11 *tional Housing Act.*

12 **SEC. 210. RESTRUCTURING OF THE HUD MULTIFAMILY**
13 **MORTGAGE PORTFOLIO THROUGH STATE**
14 **HOUSING FINANCE AGENCIES.**

15 *During fiscal year 1996, the Secretary of Housing and*
16 *Urban Development may sell or otherwise transfer multi-*
17 *family mortgages held by the Secretary under the National*
18 *Housing Act to a State housing finance agency in connec-*
19 *tion with a program authorized under section 542 (b) or*
20 *(c) of the Housing and Community Development Act of*
21 *1992 without regard to the unit limitations in section*
22 *542(b)(5) or 542(c)(4) of such Act.*

1 **SEC. 211. TRANSFER OF SECTION 8 AUTHORITY.**

2 (a) *Section 8 of the United States Housing Act of 1937*
3 *is amended by adding the following new subsection at the*
4 *end:*

5 “(bb) *TRANSFER OF BUDGET AUTHORITY.—If an as-*
6 *sistance contract under this section, other than a contract*
7 *for tenant-based assistance, is terminated or is not renewed,*
8 *or if the contract expires, the Secretary shall, in order to*
9 *provide continued assistance to eligible families, including*
10 *eligible families receiving the benefit of the project-based as-*
11 *sistance at the time of the termination, transfer any budget*
12 *authority remaining in the contract to another contract.*
13 *The transfer shall be under such terms as the Secretary may*
14 *prescribe.”.*

15 **SEC. 212. DOCUMENTATION OF MULTIFAMILY**
16 **REFINANCINGS.**

17 *Notwithstanding the 16th paragraph under the item*
18 *relating to “ADMINISTRATIVE PROVISIONS” in title II of the*
19 *Departments of Veterans Affairs and Housing and Urban*
20 *Development, and Independent Agencies Appropriations*
21 *Act, 1995 (Public Law 103–327; 108 Stat. 2316), the*
22 *amendments to section 223(a)(7) of the National Housing*
23 *Act made by the 15th paragraph of such Act shall be effec-*
24 *tive during fiscal year 1996 and thereafter.*

1 **SEC. 213. DEMONSTRATION AUTHORITY.**

2 (a) *On and after October 1, 1995, the Secretary of*
3 *Housing and Urban Development shall carry out a dem-*
4 *onstration program with respect to multifamily projects*
5 *whose mortgages are insured under the National Housing*
6 *Act and that are assisted under section 8 of the United*
7 *States Housing Act of 1937 and whose present section 8*
8 *rents are, in the aggregate, in excess of 110 percent of the*
9 *fair market rent of the locality in which the project is lo-*
10 *cated, including projects whose section 8 contracts expire*
11 *on or after October 1, 1996. These programs shall be de-*
12 *signed to test the feasibility and desirability of the goal of*
13 *ensuring, to the maximum extent practicable, that the debt*
14 *service and operating expenses, including adequate reserves,*
15 *attributable to such multifamily projects whose mortgages*
16 *are insured under the National Housing Act and that are*
17 *assisted under section 8 of the United States Housing Act*
18 *of 1937 and whose present section 8 contract rents are in*
19 *excess of the fair market rent of the locality in which the*
20 *project is located can be supported with and without mort-*
21 *gage insurance under the National Housing Act and with*
22 *and without above-market rents and utilizing project based*
23 *assistance or, with the consent of the property owner and*
24 *the residents, tenant based assistance, while taking into ac-*
25 *count the need for assistance of low and very low income*
26 *families in such projects. In carrying out this demonstra-*

1 *tion, the Secretary may use arrangements with third par-*
2 *ties, under which the Secretary may provide for the as-*
3 *sumption by the third parties (by delegation, contract, or*
4 *otherwise) of some or all of the functions, obligations, and*
5 *benefits of the Secretary.*

6 *(1) GOALS.—The Secretary of Housing and*
7 *Urban Development shall carry out the demonstration*
8 *programs under this section in a manner that—*

9 *(A) will protect the financial interests of the*
10 *Federal Government;*

11 *(B) will result in significant discretionary*
12 *cost savings through debt restructuring and sub-*
13 *sidy reduction; and*

14 *(C) will, in the least costly fashion, address*
15 *the goals of—*

16 *(i) maintaining existing housing stock*
17 *in a decent, safe, and sanitary condition;*

18 *(ii) minimizing the involuntary dis-*
19 *placement of tenants;*

20 *(iii) restructuring the mortgages of*
21 *such projects in a manner that is consistent*
22 *with local housing market conditions;*

23 *(iv) supporting fair housing strategies;*

24 *(v) minimizing any adverse income*
25 *tax impact on property owners; and*

1 (vi) *minimizing any adverse impact*
2 *on residential neighborhoods.*

3 *In determining the manner in which a mortgage is*
4 *to be restructured or the subsidy reduced, the Sec-*
5 *retary may balance competing goals relating to indi-*
6 *vidual projects in a manner that will further the pur-*
7 *poses of this section.*

8 (2) *DEMONSTRATION APPROACHES.—In carrying*
9 *out the demonstration programs, the Secretary may*
10 *use one or more of the following approaches:*

11 (A) *Joint venture arrangements with third*
12 *parties, under which the Secretary may provide*
13 *for the assumption by the third parties (by dele-*
14 *gation, contract, or otherwise) of some or all of*
15 *the functions, obligations, and benefits of the Sec-*
16 *retary.*

17 (B) *Subsidization of the debt service of the*
18 *project to a level that can be paid by an owner*
19 *receiving an unsubsidized market rent.*

20 (C) *Renewal of existing project-based assist-*
21 *ance contracts where the Secretary shall approve*
22 *proposed initial rent levels that do not exceed the*
23 *greater of 120 percent of fair market rents or*
24 *comparable market rents for the relevant metro-*

1 *politan market area or at rent levels under a*
2 *budget-based approach.*

3 *(D) Nonrenewal of expiring existing project-*
4 *based assistance contracts and providing tenant-*
5 *based assistance to previously assisted house-*
6 *holds.*

7 *(b) For purposes of carrying out demonstration pro-*
8 *grams under subsection (a)—*

9 *(1) the Secretary may manage and dispose of*
10 *multifamily properties owned by the Secretary as of*
11 *October 1, 1995 and multifamily mortgages held by*
12 *the Secretary as of October 1, 1995 for properties as-*
13 *sisted under section 8 with rents above 110 percent of*
14 *fair market rents without regard to any other provi-*
15 *sion of law; and*

16 *(2) the Secretary may delegate to one or more*
17 *entities the authority to carry out some or all of the*
18 *functions and responsibilities of the Secretary in con-*
19 *nection with the foreclosure of mortgages held by the*
20 *Secretary under the National Housing Act.*

21 *(c) For purposes of carrying out demonstration pro-*
22 *grams under subsection (a), subject to such third party con-*
23 *sents (if any) as are necessary including but not limited*
24 *to (i) consent by the Government National Mortgage Asso-*
25 *ciation where it owns a mortgage insured by the Secretary;*

1 *(ii) consent by an issuer under the mortgage-backed securi-*
2 *ties program of the Association, subject to the responsibil-*
3 *ities of the issuer to its security holders and the Association*
4 *under such program; and (iii) parties to any contractual*
5 *agreement which the Secretary proposes to modify or dis-*
6 *continue, the Secretary or one or more third parties des-*
7 *ignated by the Secretary may take the following actions:*

8 *(1) Notwithstanding any other provision of law,*
9 *the Secretary or third party may remove, relinquish,*
10 *extinguish, modify, or agree to the removal of any*
11 *mortgage, regulatory agreement, project-based assist-*
12 *ance contract, use agreement, or restriction that had*
13 *been imposed or required by the Secretary, including*
14 *restrictions on distributions of income which the Sec-*
15 *retary or third party determines would interfere with*
16 *the ability of the project to operate without above*
17 *market rents. The Secretary or third party may re-*
18 *quire an owner of a property assisted under the sec-*
19 *tion 8 new construction/substantial rehabilitation*
20 *program to apply any accumulated residual receipts*
21 *toward effecting the purposes of this section.*

22 *(2) Notwithstanding any other provision of law,*
23 *the Secretary of Housing and Urban Development*
24 *may enter into contracts to purchase reinsurance, or*
25 *enter into participations or otherwise transfer eco-*

1 *nomie interest in contracts of insurance or in the pre-*
2 *miums paid, or due to be paid, on such insurance to*
3 *third parties, on such terms and conditions as the*
4 *Secretary may determine.*

5 *(3) The Secretary may offer project-based assist-*
6 *ance with rents at or below fair market rents for the*
7 *locality in which the project is located and may nego-*
8 *tiate such other terms as are acceptable to the Sec-*
9 *retary and the project owner.*

10 *(4) If, after reducing rents as provided in sub-*
11 *section (3) hereof, the project would be unable to pay*
12 *full operating costs (including normal operating ex-*
13 *penses, reasonable reserves, full debt service, and rea-*
14 *sonable allowances for vacancy losses and debt service*
15 *coverage/owner return), the Secretary may offer to*
16 *pay all or a portion of the project's debt service, and*
17 *shall restrict the portion of debt service, if any, to be*
18 *paid by the project to the amount consistent with*
19 *payment of such full operating costs. The Secretary*
20 *may offer to make such payments monthly from the*
21 *appropriate Insurance Fund, for the full remaining*
22 *term of the insured mortgage.*

23 *(5) Notwithstanding any other provision of law,*
24 *the Secretary may forgive and cancel any FHA-in-*
25 *sured mortgage debt that a demonstration program*

1 *property cannot carry at market rents while bearing*
2 *full operating costs.*

3 *(6) For demonstration program properties that*
4 *cannot carry full operating costs (excluding debt serv-*
5 *ice) at market rents, the Secretary shall approve*
6 *project-based rents sufficient to carry such full operat-*
7 *ing costs and shall offer to pay the full debt service*
8 *in the manner provided in paragraph (4).*

9 *(d) SELECTION.—The Secretary shall select multifam-*
10 *ily projects whose mortgages are insured that are from dif-*
11 *ferent geographic areas of the nation, from States and local-*
12 *ities of varying sizes, of different occupancy profiles by in-*
13 *come, race, and age, of different financial and physical con-*
14 *ditions, and other factors as determined by the Secretary.*

15 *(e) COMMUNITY AND TENANT INPUT.—In carrying out*
16 *this section, the Secretary shall develop procedures to obtain*
17 *appropriate and timely input from officials of the unit of*
18 *general local government affected, the community in which*
19 *the project is situated, and the tenant of the project.*

20 *(f) LIMITATION ON DEMONSTRATION AUTHORITY.—*
21 *The Secretary may carry out demonstration programs*
22 *under this section with respect to mortgages not to exceed*
23 *30,000 units over fiscal years 1996 and 1997: Provided,*
24 *That not less than fifty percent of the units participating*
25 *in the demonstration shall be in projects that are assisted*

1 *under section 8 new construction/substantial rehabilitation*
2 *contracts which expire after September 30, 1997. The dem-*
3 *onstration authorized under this section shall not be ex-*
4 *panded until the reports required under subsection (g) are*
5 *submitted to the Congress.*

6 *(g) REPORT TO CONGRESS.—The Secretary shall sub-*
7 *mit to the Congress every three months after the date of*
8 *enactment of this Act a report describing and assessing the*
9 *programs carried out under the demonstrations. The Sec-*
10 *retary shall also submit a final report to the Congress not*
11 *later than six months after the end of the demonstrations.*
12 *The final report shall include findings and recommenda-*
13 *tions for any legislative action appropriate to establish a*
14 *permanent program based on the findings under the dem-*
15 *onstrations. The final report shall also include a description*
16 *of the status of each multifamily housing project selected*
17 *for the demonstrations under this section. The final report*
18 *shall include—*

19 *(1) the size of the projects;*

20 *(2) the geographic locations of the projects, by*
21 *State and region;*

22 *(3) the physical and financial condition of the*
23 *projects;*

24 *(4) the occupancy profile of the projects, includ-*
25 *ing the income, family size, race, and ethnic origin*

1 of current tenants, and the rents paid by such ten-
2 ants;

3 (5) a description of actions undertaken pursuant
4 to this section, including a description of the effective-
5 ness of such actions and any impediments to the
6 transfer or sale of multifamily housing projects;

7 (6) a description of the extent to which the dem-
8 onstrations under this section have displaced tenants
9 of multifamily housings projects;

10 (7) a description of any of the functions per-
11 formed in connection with this section that are trans-
12 ferred or contracted out to public or private entities
13 or to States;

14 (8) a description of the impact to which the dem-
15 onstrations under this section have affected the local-
16 ities and communities where the selected multifamily
17 housing projects are located; and

18 (9) a description of the extent to which the dem-
19 onstrations under this section have affected the owners
20 of multifamily housing projects.

21 (g) *EFFECTIVE DATE.*—The provisions of this section
22 shall become effective on October 1, 1996.

23 *SEC. 214. SECTION 8 CONTRACT RENEWAL.*

24 (a) *IN GENERAL.*—Notwithstanding any other provi-
25 sion of law, the Secretary shall renew upon expiration each

1 *contract for project-based assistance under section 8 of the*
2 *United States Housing Act of 1937 that expires during fis-*
3 *cal year 1996 in accordance with this subsection.*

4 *(b) CONTRACT TERM.—Each contract described in sub-*
5 *section (a) may be renewed for a term not to exceed 2 years.*

6 *“(c) RENTS AND OTHER CONTRACT TERMS.—Except*
7 *as provided in subsections (d) and (e), the Secretary shall*
8 *offer to renew each contract described in subsection (a) (in-*
9 *cluding any contract relating to a multifamily project*
10 *whose mortgage is insured or assisted under the new con-*
11 *struction and substantial rehabilitation program under sec-*
12 *tion 8 of the United States Housing Act of 1937)—*

13 *(1) at a rent equal to the budget-based rent for*
14 *the project;*

15 *(2) at the current rent, where the current rent*
16 *does not exceed 120 percent of the fair market rent for*
17 *the jurisdiction in which the project is located; or*

18 *(3) at the current rent, pending the implementa-*
19 *tion of guidelines for budget-based rents.*

20 *(d) LOAN MANAGEMENT SET-ASIDE CONTRACTS.—The*
21 *Secretary shall offer to renew each loan management set-*
22 *aside contract at a rent equal to the budget-based rent for*
23 *the unit, as determined by the Secretary, for a period not*
24 *to exceed 1 year.*

1 (e) *TENANT-BASED ASSISTANCE OPTION.*—Notwith-
 2 standing any other provision of law, the Secretary may,
 3 with the consent of the owner of a project that is subject
 4 to a contract described in subsection (a) and with notice
 5 to and in consultation with the tenants, agree to provide
 6 tenant-based rental assistance under section 8(b) or 8(o) in
 7 lieu of renewing a contract to provide project-based rental
 8 assistance under subsection (a). Subject to advance appro-
 9 priations, the Secretary may offer an owner incentives to
 10 convert to tenant-based rental assistance.

11 (f) *DEMONSTRATION PROGRAM.*—If a contract de-
 12 scribed in subsection (a) is eligible for the demonstration
 13 program under section 213, the Secretary may make the
 14 contract subject to the requirements of section 213.

15 (g) *DEFINITIONS.*—

16 (1) *BUDGET-BASED RENT.*—For purposes of this
 17 section, the term “budget-based rent”, with respect to
 18 a multifamily housing project, means the rent that is
 19 established by the Secretary, based on the actual and
 20 projected costs of operating the project, at a level that
 21 will provide income sufficient, with respect to the
 22 project, to support—

23 (A) the debt service of the project;

24 (B) the operating expenses of the project, in-
 25 cluding—

1 (i) contributions to actual reserves;

2 (ii) the costs of maintenance and nec-
3 essary rehabilitation, as determined by the
4 Secretary;

5 (iii) other costs permitted under sec-
6 tion 8 of the United States Housing Act of
7 1937, as determined by the Secretary;

8 (C) an adequate allowance for potential and
9 reasonable operating losses due to vacancies and
10 failure to collect rents, as determined by the Sec-
11 retary;

12 (D) an allowance for a rate of return on eq-
13 uity to the owner not to exceed 6 percent;

14 (E) other expenses, as determined to be nec-
15 essary by the Secretary.

16 (2) BASIC RENTAL CHARGE FOR SECTION 236.—

17 A basic rental charge determined or approved by the
18 Secretary for a project receiving interest reduction
19 payments under section 236 of the National Housing
20 Act shall be deemed a budget-based rent within the
21 meaning of this section.

22 (3) SECRETARY.—The term “Secretary” refers to
23 the Secretary of Housing and Urban development.

1 *PRESERVATION REFORM*

2 *SEC. 215. Subtitle B of the Low-Income Housing Pres-*
3 *ervation and Resident Homeownership Act of 1990, is*
4 *amended as follows:*

5 (a) *After section 201, insert the following new*
6 *section:*

7 ***“SEC. 202. APPLICABILITY.***

8 *“This subtitle shall be applicable to all eligible low-*
9 *income housing which has not received funding for a plan*
10 *of action before October 1, 1995. Eligible projects which*
11 *have received funding before such effective date shall be gov-*
12 *erned by the Low Income Housing Preservation and Resi-*
13 *dent Homeownership Act of 1990 as was in effect before*
14 *such effective date.”.*

15 (b) *Section 211 is amended to read as follows:*

16 ***“SEC. 211. PERMISSIBLE PREPAYMENT OR INCENTIVES NOT***
17 ***TO PREPAY.***

18 *“(a) PREPAYMENT AND TERMINATION.—An owner of*
19 *eligible low income housing may prepay, and a mortgagee*
20 *may accept prepayment, in accordance with the terms of*
21 *the mortgage note, and regulations in effect when said note*
22 *was signed.*

23 *“(b) PLAN OF ACTION.—An owner of eligible housing*
24 *who does not exercise the right to prepay the mortgage may*
25 *file a plan of action to receive incentives to extend low in-*

1 *come use pursuant to section 219(b) or incentives for trans-*
2 *fers to qualified purchasers pursuant to section 220.”.*

3 *(c) Section 212(a) is amended by striking the*
4 *words “as in accordance with section 218”.*

5 *(d) Striking out section 214.*

6 *(e) Section 215 is amended as follows:*

7 *(1) Subsection (a) is amended to read as*
8 *follows:*

9 *“(a) DETERMINATION OF RELATION TO FEDERAL*
10 *COST LIMITS.—For each eligible low-income housing*
11 *project appraised under section 213(a), the Secretary shall*
12 *make an initial determination as to whether the estimated*
13 *allowable equity loan pursuant to section 219(b)(8) or the*
14 *estimated allowable grant pursuant to section 220(d)(3)(A)*
15 *exceeds the amount equal to 60 times the most recently pub-*
16 *lished fair market rent for the area in which the project*
17 *is located and the appropriate unit size for all of the units*
18 *in the eligible housing. The initial determination shall be*
19 *used solely for the purpose of providing information to own-*
20 *ers pursuant to section 216. Actual incentives available to*
21 *an owner (or a qualified purchaser) shall be determined*
22 *pursuant to an approved plan of action; provided however,*
23 *that the Secretary may not approve incentives in an*
24 *amount exceeding the federal cost limits as defined in this*

1 *section, unless the Secretary determines that preservation*
2 *for the eligible low income housing project is appropriate.”.*

3 *(2) Subsection (b) is amended to read as*
4 *follows:*

5 *“(b) HOUSING EXCEEDING FEDERAL COST LIMITS.—*
6 *If the estimated allowable equity loan or grant for an eligi-*
7 *ble low income housing project exceeds the federal cost limit,*
8 *the owner may:*

9 *“(1) file a plan of action under section 217 to*
10 *receive incentives under section 219;*

11 *“(2) file a second notice of intent under section*
12 *216(d) indicating an intention to transfer the housing*
13 *under section 220 and take actions pursuant to such*
14 *section;*

15 *“(3) file a second notice under section 216(d) in-*
16 *dicating an intention to transfer the housing under*
17 *section 220 so long as a qualified purchaser provides*
18 *non-preservation resources sufficient to accommodate*
19 *the difference between the incentives approved under*
20 *the applicable plan of action and the actual purchase*
21 *price; or*

22 *“(4) file a second notice of intent under section*
23 *216(d) indicating an intention to prepay the mort-*
24 *gage or voluntarily terminate the insurance.”.*

25 *(f) Section 216 is amended as follows:*

1 (1) *Strike subsection (a).*

2 (2) *Subsection (b)(2) is amended to read as*
3 *follows: “A statement of the required repairs and*
4 *initial reserve deposits required by the Secretary,*
5 *based on a capital needs assessment of the prop-*
6 *erty.”.*

7 (3) *Subsection (b)(4) is amended by striking*
8 *the phrase, “aggregate preservation rents” and*
9 *inserting in lieu thereof, “estimated allowable eq-*
10 *uity loan or grant, as applicable.”.*

11 (4) *Subsection (d)(1) is amended by delet-*
12 *ing the second and third sentences thereof.*

13 (g) *Section 217 is amended as follows:*

14 (1) *Subsection (a)(1) is amended by—*

15 (A) *striking out “terminate the low-in-*
16 *come affordability restrictions through pre-*
17 *payment of the mortgage or voluntary ter-*
18 *mination under section 218, or to”;*

19 (B) *striking out “or 221”; and*

20 (C) *striking the matter following “sec-*
21 *tion 220(b)”.*

22 (2) *Subsection (b) is amended by—*

23 (A) *striking out paragraph (1); and*

24 (B) *in paragraph (2) striking out “If*
25 *the plan of action proposes to extend the low*

1 *income affordability restrictions of the hous-*
2 *ing in accordance with section 219 or trans-*
3 *fer the housing to a qualified purchaser in*
4 *accordance with section 220, the plan” and*
5 *inserting in lieu thereof, “The plan of ac-*
6 *tion shall include—”.*

7 *(f) Strike out section 218.*

8 *(g) Section 219 is amended as follows:*

9 *(1) Subsection (a) is amended by deleting*
10 *from “for each year” to the end of the subsection*
11 *and inserting in lieu thereof “the incentives pro-*
12 *vided in subsection (b) hereof.”*

13 *(2) Subsection (b) is amended by—*

14 *(A) striking out subparagraphs 2 and*
15 *3, and renumbering the remaining sub-*
16 *sections;*

17 *(B) amending paragraph 3 by deleting*
18 *all that follows “improvements” and insert-*
19 *ing in lieu thereof, “as provided in para-*
20 *graph 8 hereof”;*

21 *(C) amending paragraph 5 to read as*
22 *follows: “Access by the owner to a portion*
23 *of preservation equity in the housing as*
24 *provided in paragraph (6) hereof.”;*

1 (D) by adding a new paragraph (8) as
2 follows:

3 “(8) A non-interest-bearing direct loan by the
4 Secretary equal in amount to the cost of rehabilita-
5 tion approved in the plan of action plus 70 percent
6 of the preservation equity.

7 “(i) Repayment of the loan provided under
8 this paragraph shall commence when the first
9 mortgage loan on the eligible low income housing
10 is paid in full. The Secretary shall require the
11 owner to make payments thereafter in an
12 amount not greater than the amount that the
13 owner had been paying on said first mortgage
14 taking into account any interest reduction pay-
15 ments made pursuant to section 236 of the Na-
16 tional Housing Act.

17 (ii) The Secretary shall permit an owner re-
18 turn equal to 8 percent of 30 percent of the pres-
19 ervation equity and shall permit the inclusion
20 thereof in the budget for the eligible housing in-
21 stead of the return permitted on the original eq-
22 uity of the eligible housing.”; and

23 (E) by adding a new subsection (b)(9)
24 as follows:

1 “(9) retention of rental income in excess of the
2 basic rental charge in projects assisted under section
3 236 of the National Housing Act, to be used for the
4 purposes of preserving the low/moderate income char-
5 acter of the eligible low income housing.”.

6 (3) In final unnumbered paragraph, strike
7 out the words “but the owner shall pay to the
8 Secretary all rental charges in excess of the basic
9 rental charges”.

10 (h) Section 220 is amended as follows:

11 (1) Subsection (a) is amended by deleting
12 the final sentence thereof.

13 (2) Subsection (b)(1) is amended by deleting
14 the first sentence thereof and inserting in lieu
15 thereof the following:

16 “(1) For the 6 month period beginning on the
17 date of receipt by the Secretary of a second notice of
18 intent under section 216(d) with respect to such hous-
19 ing, the owner may offer to sell and/or negotiate a
20 sale of the housing only with—

21 “(i) a resident council or mutual housing
22 association intending to purchase the project
23 under section 226, which has the support of ten-
24 ants representing at least 75 percent of the occu-

1 *pied units in the project and at least 50 percent*
 2 *of all of the units in the project.*

3 *“(ii) a resident council intending to pur-*
 4 *chase the project and retain it as rental housing,*
 5 *which has the support of the majority of the ten-*
 6 *ant households; or*

7 *“(iii) a community based nonprofit housing*
 8 *organization, which has the support of the ma-*
 9 *jority of the tenant households.*

10 *“(2) If no bona fide offer to purchase the project*
 11 *is made and accepted during or at the end of the 6-*
 12 *month period specified in subparagraph (b)(1) of this*
 13 *section, the owner may offer to sell the project during*
 14 *the succeeding 6 months to any priority purchaser.”.*

15 *(2) Subsections (d)(2) and (d)(3) are*
 16 *amended to read as follows:*

17 *“(d)(2) AMOUNT.—Subject to the availability of*
 18 *amounts approved in appropriations Acts, the Secretary*
 19 *shall, for approvable plans of action, provide assistance suf-*
 20 *ficient to enable qualified purchasers to—*

21 *“(A) acquire the eligible low-income housing*
 22 *from the current owner for a purchase price not*
 23 *greater than the preservation value of the housing.*
 24 *Such purchase price does not include the residual re-*
 25 *ceipts account which shall be released to the owner,*

1 *but shall include the replacement reserve account*
2 *which shall be transferred to the purchaser;*

3 *“(B) rehabilitate the housing;*

4 *“(C) meet project operating expenses and estab-*
5 *lish adequate reserves for the housing, and in the case*
6 *of a Priority Purchaser, meet project oversight costs;*

7 *“(D) receive a distribution equal to 8 percent*
8 *annual return on any actual cash investment (from*
9 *sources other than assistance provided under this*
10 *title) made to acquire or rehabilitate the project;*

11 *“(E) in the case of a priority purchaser, receive*
12 *a reimbursement of all reasonable transaction ex-*
13 *penses associated with the acquisition, loan closing,*
14 *and implementation of an approved plan of action;*
15 *and*

16 *“(F) in the case of an approved resident home-*
17 *ownership program, cover the costs of training for the*
18 *resident council, homeownership counseling and*
19 *training, the fees for the nonprofit entity or public*
20 *agency working with the resident council and costs re-*
21 *lated to relocation of tenants who elect to move.*

22 *“(d)(3) INCENTIVES.—*

23 *“(A) IN GENERAL.—For all qualified purchasers*
24 *of housing under this subsection, the Secretary may*
25 *provide assistance for an approved Plan of Action in*

1 *the form of 1 or more of the incentives authorized*
2 *under section 219(b), except in lieu of the incentives*
3 *under section 219(b)(7) and 219(b)(8), the Secretary*
4 *shall provide a grant equal in amount to 100 percent*
5 *of the transfer preservation equity determined for the*
6 *property plus the amount of rehabilitation costs re-*
7 *quired by the plan of action: Provided, That the grant*
8 *may include, if the qualified purchaser is a priority*
9 *purchaser, any expenses associated with the acquisi-*
10 *tion, loan closing and implementation of the plan of*
11 *action, subject to approval by the Secretary. Expenses*
12 *associated with implementation of the plan of action*
13 *may include capital reserves, operating reserves, and*
14 *escrows established to mitigate the burden of initial*
15 *rent increases on tenants. At the purchaser's election,*
16 *the grant shall be provided in the form of a loan in*
17 *the same amount. If the purchaser makes such elec-*
18 *tion, the interest rate on the loan shall be no less than*
19 *the applicable Federal rate and repayment shall be*
20 *deferred until sale of the housing or refinancing or re-*
21 *payment of the federally-assisted mortgage, whichever*
22 *is earlier, or such later date as may be required to*
23 *maintain low-income affordability restrictions for the*
24 *remaining useful life of the housing.''.*

25 *(i) Strike out section 221.*

1 (j) *Section 222 is amended as follows:*

2 (1) *Strike out subsections (a)(2) (D), (E)*
3 *and (F) and renumbering the remaining sub-*
4 *paragraphs.*

5 (2) *Amend subsection (a)(2)(G) to read as*
6 *follows:*

7 “(G) *future rent adjustments shall be gov-*
8 *erned by the provisions of the regulatory agree-*
9 *ment concerning rent adjustments now in effect*
10 *for the eligible low-income housing except that*
11 *priority purchasers shall receive project oversight*
12 *costs. The Secretary shall process requests for*
13 *rent adjustments during the pendency of the*
14 *processing under this title.”.*

15 (3) *Subsection (d)(2)(A)(i) is amended to*
16 *read as follows:*

17 “(i) *declining to authorize the release*
18 *of any escrowed loan proceeds and requiring*
19 *that such amounts be used for repairs.”.*

20 (4) *Subsection (d)(2)(C)(ii) is amended by*
21 *striking out “an equity take-out loan has been*
22 *made under section 241(f) of the National Hous-*
23 *ing Act” and inserting in lieu thereof, “a loan*
24 *has been insured under the National Housing*

1 Act or made pursuant to section 219(b)(8) or
2 220(d)(3)’’.

3 (5) Strike out subsection (d)(2)(C)(iii).

4 (6) Insert a new subsection (e) as follows:

5 “(e) *MIXED INCOME COMMUNITIES*.—To the extent
6 that federal assistance is provided for economic feasibility,
7 units available to new tenants will be available and afford-
8 able to the same proportions of very-low income families
9 or persons, low income families or persons, and moderate
10 income families or persons (including families or persons
11 whose incomes are 95 percent or more of area median in-
12 come) as of the date of approval of the plan of action.’’.

13 (k) Section 223 is amended as follows:

14 (1) Subsection (a) is amended by—

15 (A) striking out in the first sentence
16 “low-income” and inserting in lieu thereof
17 “very low-income”; and

18 (B) striking out “eligible low income
19 housing” and inserting in lieu thereof
20 “housing financed under the programs set
21 forth in section 229(1)(A) of this Act”.

22 (2) Strike out the last sentence of subsection
23 (b), and inserting in lieu thereof “The Secretary
24 shall pay the relocation expenses of each such
25 low-income family—

1 “(i) that does not receive section 8 assist-
2 ance pursuant to subsection (a);

3 “(ii) that is displaced within 180 days after
4 such prepayment; and

5 “(iii) whose rent and utility cost imme-
6 diately prior to displacement exceeded 30 percent
7 of adjusted income. Provided, however, that such
8 relocation payment shall not exceed \$1,500 per
9 family.”.

10 (3) Strike out subsections (c), (d) and (e).

11 (l) Strike out section 224.

12 (m) Section 225(c) is amended by—

13 (1) striking out in the first sentence all that
14 follows “shall” and inserting in lieu thereof
15 “provide the incentives, and, in addition, shall
16 pay the owner of the eligible housing a return
17 equal to 8 percent of the preservation equity
18 from the date that the Secretary should have
19 complied with such time limitation”; and

20 (2) striking out, in the last sentence thereof,
21 “district”.

22 (n) Section 226(b)(2) is amended by inserting
23 “mutual housing association” between “limited equity
24 cooperative ownership)” and “and fee simple owner-
25 ship.”

1 (o) *Section 229 is amended as follows:*

2 (1) *Paragraph (1)(B) is amended to read as*
3 *follows:*

4 “*(B) that, under regulation or contract in*
5 *effect before February 5, 1988, would have be-*
6 *come eligible for prepayment without prior ap-*
7 *proval of the Secretary:*

8 “*(i) on or before December 31, 1996, and*
9 *the owner of such housing filed a notice of intent*
10 *on or before February 28, 1995 under title VI of*
11 *the Low Income Housing Preservation and Resi-*
12 *dent Homeownership Act of 1990 or under title*
13 *II of the Emergency Low Income Housing Pres-*
14 *ervation Act of 1987; or*

15 “*(ii) after December 31, 1996, and the*
16 *owner of such housing files a notice of intent*
17 *under this title on or before March 1, 1996.”.*

18 (2) *Paragraph (8) is amended—*

19 (A) *by deleting in subparagraph (A)*
20 *the words “determining the authorized re-*
21 *turn under section 219(b)(6)(ii)”*

22 (B) *by deleting in subparagraph (B)*
23 *“and 221”; and*

24 (C) *by deleting in subparagraph (B)*
25 *the words “acquisition loans under the pro-*

1 visions of section 241(f)(3) of the National
2 Housing Act” and inserting in lieu thereof,
3 “acquisition grant under the provisions of
4 section 220(d)(2)”.

5 (3) Paragraph (11) is amended by inserting
6 after “association”: “(including such an organi-
7 zation or its affiliate that is a general partner
8 in a limited partnership)”.

9 (4) Insert a new definition (12) as follows:
10 “(12) The term ‘Community Based Non-Profit
11 Organization’ is defined as set forth in 24 C.F.R.
12 248.101, except that a private nonprofit organization
13 shall be deemed to include an organization or its af-
14 filiate that is a general partner in a limited partner-
15 ship.”.

16 (5) Insert a new definition (13) as follows:
17 “(13) Mutual Housing Association. A private en-
18 tity organized under State law that has been deter-
19 mined to be a tax-exempt entity under section 501c
20 of the Internal Revenue Code of 1986 (including such
21 an entity or its affiliate that is a general partner in
22 a limited partnership), and that owns, manages, and
23 continuously develops affordable housing by providing
24 long-term housing for low and moderate income indi-
25 viduals and families. The residents of mutual housing

1 *participate in the ongoing management of the hous-*
2 *ing, and through the purchase of membership interests*
3 *in the associations have the right to continue residing*
4 *in the housing as long as they own memberships in*
5 *the associations.”.*

6 *(6) Paragraph (1) is amended by inserting*
7 *new subparagraph (C) after subparagraph (B):*

8 *“(C) that has been determined to have pres-*
9 *ervation equity equivalent to the lesser of \$5,000/*
10 *unit or \$500,000 per project or the equivalent of*
11 *8 times the most recently published fair market*
12 *rent for the area in which the project is located*
13 *and the appropriate unit size for all of the units*
14 *in the eligible project.”.*

15 *(p) Section 231(a) is amended by inserting be-*
16 *fore the period the following: “; and (C) any resident*
17 *council, community-based non-profit organization,*
18 *mutual housing association, or their affiliate that acts*
19 *as a general partner in a limited partnership and*
20 *agrees to maintain low-income affordability restric-*
21 *tions for the remaining useful life of the housing as*
22 *determined under section 222(c).”.*

23 *(q) Section 232(a)(2) is amended to read as fol-*
24 *lows:*

1 “(2) restricts or inhibits an owner of such hous-
2 ing from receiving any benefit provided under this
3 Act;”.

4 (r) Inserting after section 235, the following new
5 section:

6 **“SEC. 236. IMPLEMENTING PROVISIONS FOR CAPITAL**
7 **LOANS AND GRANTS.**

8 “(a) *SELF-IMPLEMENTATION.*—The Secretary shall
9 implement the incentives of capital loans or grants pursu-
10 ant to section 219(b)(8) or 220(d)(2) upon the enactment
11 of an appropriations Act for fiscal year 1996 providing
12 funds for this purpose without issuing regulations and the
13 processing of an eligible project and any approvals rendered
14 by the Secretary under title VI of the Low Income Housing
15 Preservation and Resident Homeownership Act of 1990 or
16 title II of the Emergency Low Income Housing Preservation
17 Act of 1987 shall be effective under this title and the Sec-
18 retary shall not repeat any such processing.

19 “(b) *PAYMENT OF EQUITY LOAN.*—The Secretary shall
20 fund the loan pursuant to section 219(b)(6) within 180 days
21 after the approval of the plan of action, but shall pay an
22 8 percent return on preservation equity from 60 days after
23 approval of the plan of action. The Secretary may provide
24 funding for the capital loan provided under section
25 219(b)(8) equally over a five-year period, except that the

1 *rehabilitation portion of the loan shall be funded in the first*
2 *installment. The Secretary shall pay the owner of the eligi-*
3 *ble housing interest on the unpaid portion of the loan at*
4 *the applicable federal rate at the time that the plan of ac-*
5 *tion is approved. If the Secretary fails to make the second*
6 *or subsequent installment payments on said loan within 60*
7 *days of its due date, the owner may prepay the mortgage*
8 *pursuant to section 211 and retain the amount of any in-*
9 *stallment previously paid.*

10 “(c) *PAYMENT OF GRANT OR LOAN.*—The Secretary
11 *shall provide full funding for the capital grant or loan as*
12 *provided under section 220(d)(3) within 180 days of ap-*
13 *proval of the plan of action. If the Secretary fails to make*
14 *such payment, the owner may prepay the existing mortgage*
15 *pursuant to section 224.*

16 “(d) *ELIHPA ELIGIBILITY.*—An owner of eligible
17 *housing who is processing an application under title II of*
18 *the Emergency Low Income Housing Preservation Act of*
19 *1987 on the effective date of this title may apply for the*
20 *incentives provided in this title or exercise its right of pre-*
21 *payment pursuant to section 211.’’.*

22 “(s) *EFFECTIVE DATE.*—The provisions of this section
23 *shall become effective on October 1, 1996.*

1 *SEC. 216. EXTENSION OF HOME EQUITY CONVERSION*
2 *MORTGAGE PROGRAM.—Section 255(g) of the National*
3 *Housing Act (12 U.S.C. 1715z–20(g)) is amended—*

4 *(1) in the first sentence, by striking “September*
5 *30, 1995” and inserting “September 30, 1996”; and*

6 *(2) in the second sentence, by striking “25,000”*
7 *and inserting “30,000”.*

8 *SEC. 217. ASSESSMENT COLLECTION DATES FOR OF-*
9 *FICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT.—*
10 *Section 1316(b) of the Housing and Community Develop-*
11 *ment Act of 1992 (12 U.S.C. 4516(b)) is amended by strik-*
12 *ing paragraph (2) and inserting the following new para-*
13 *graph:*

14 *“(2) TIMING OF PAYMENT.—The annual assess-*
15 *ment shall be payable semiannually for each fiscal*
16 *year, on October 1st and April 1st.”.*

17 *SEC. 218. During fiscal year 1996, notwithstanding*
18 *any other provision of law, the number of individuals em-*
19 *ployed by the Department of Housing and Urban Develop-*
20 *ment in other than “career appointee” positions in the Sen-*
21 *ior Executive Service shall not exceed 20.*

22 *SEC. 219. Of the \$93,400,000 earmarked in Public*
23 *Law 101–144 (103 Stat 850), as amended by Public Law*
24 *101–302 (104 Stat 237), for special projects and purposes,*
25 *any amounts remaining of the \$500,000 made available to*

1 *Bethlehem House in Highland, California, for site planning*
2 *and land acquisition shall instead be made available to the*
3 *County of San Bernardino in California to assist with the*
4 *expansion of the Los Padrinos Gang Intervention Program*
5 *and the Unity Home Domestic Violence Shelter.*

6 *SEC. 220. PERMISSIBLE ADJUSTMENT TO MODERNIZA-*
7 *TION FORMULA.—Section 14(k) of the United States Hous-*
8 *ing Act of 1937 is amended—*

9 *(1) in paragraph (2)(B)—*

10 *(A) by striking “The Secretary” and insert-*
11 *ing “Except as otherwise provided in this sub-*
12 *paragraph, the Secretary”; and*

13 *(B) by inserting after the first sentence the*
14 *following: “The Secretary may adjust the*
15 *amount allocated under this subparagraph as*
16 *necessary to provide additional weight for back-*
17 *log needs.”;*

18 *(2) in paragraph (2)(C), by striking “other half”*
19 *and inserting “remainder”; and*

20 *(3) in paragraph (8)—*

21 *(A) by striking “half” the first time it ap-*
22 *pears and inserting “half, or such other amount*
23 *as the Secretary determines to be necessary pur-*
24 *suant to paragraph (2)(B),”; and*

1 (B) by striking “half” the second time it
2 appears, and inserting “the remainder”.

3 SEC. 221. (a) Section 1011 of Title X—Residential
4 Lead-Based Paint Hazard Reduction Act of 1992 is amend-
5 ed as follows: Strike “priority housing” wherever it appears
6 in said section and insert “housing”.

7 (b) Section 1011(a) shall be amended as follows: At
8 the end of the subsection after the period, insert “Grants
9 shall only be made under this section to provide assistance
10 for housing which meets the following criteria—

11 “(1) for grants made to assist rental housing, at
12 least 50 percent of the units must be occupied by or
13 made available to families with incomes at or below
14 50 percent of the area median income level and the
15 remaining units shall be occupied or made available
16 to families with incomes at or below 80 percent of the
17 area median income level, and in all cases the land-
18 lord shall give priority in renting units assisted
19 under this section, for not less than 3 years following
20 the completion of lead abatement activities, to fami-
21 lies with a child under the age of six years—

22 “(A) except that buildings with five or more
23 units may have 20 percent of the units occupied
24 by families with incomes above 80 percent of
25 area median income level;

1 “(2) for grants made to assist housing owned by
 2 owner-occupants, all units assisted with grants under
 3 this section shall be the principal residence of families
 4 with incomes at or below 80 percent of the area me-
 5 dian income level, and not less than 90 percent of the
 6 units assisted with grants under this section shall be
 7 occupied by a child under age of six years or shall
 8 be units where a child under the age of six years
 9 spends a significant amount of time visiting; and

10 “(3) notwithstanding paragraphs (1) and (2),
 11 Round II grantees who receive assistance under this
 12 section may use such assistance for priority hous-
 13 ing.”.

14 SEC. 222. EXTENSION PERIOD FOR SHARING UTILITY
 15 COST SAVINGS WITH PHAS.—Section 9(a)(3)(B)(i) is
 16 amended by striking “for a period not to exceed 6 years”.

17 SEC. 223. The first sentence of section
 18 221(g)(4)(C)(viii) of the National Housing Act is amended
 19 by striking “September 30, 1995” and inserting in lieu
 20 thereof “September 30, 1996”.

21 **(59)**Page 50, after line 2 insert:

22 SEC. 224. None of the funds provided in this Act may
 23 be used during fiscal year 1996 to investigate or prosecute
 24 under the Fair Housing Act (42 U.S.C. 3601, et seq.) any
 25 otherwise lawful activity engaged in by one or more per-

1 sons, including the filing or maintaining of non-frivolous
 2 legal action, that is engaged in solely for the purposes of
 3 achieving or preventing action by a Government official,
 4 entity, or court of competent jurisdiction.

5 **(60)**Page 50, after line 2 insert:

6 *SEC. 225. None of the funds provided in this Act may*
 7 *be used to take any enforcement action with respect to a*
 8 *complaint of discrimination under the Fair Housing Act*
 9 *(42 U.S.C. 3601, et seq.) on the basis of familial status and*
 10 *which involves an occupancy standard established by the*
 11 *housing provider except to the extent that it is found that*
 12 *there has been discrimination in contravention of the stand-*
 13 *ards provided in the March 20, 1991 Memorandum from*
 14 *the General Counsel of the Department of Housing and*
 15 *Urban Development to all Regional Counsel or until such*
 16 *time that HUD issues a final rule in accordance with sec-*
 17 *tion 553 of title 5, United States Code.*

18 **(61)**Page 50, after line 2 insert:

19 *Sec. 226. CDBG Eligible Activities.*

20 *Section 105(a) of the Housing and Community Devel-*
 21 *opment Act of 1974 (42 U.S.C. 5305(a)) is amended—*

22 *(1) in paragraph (4)—*

23 *(A) by inserting “reconstruction,” after “re-*
 24 *moval,”; and*

1 (B) by striking “acquisition for rehabilita-
 2 tion, and rehabilitation” and inserting “acqui-
 3 sition for reconstruction or rehabilitation, and re-
 4 construction or rehabilitation”;

5 (2) in paragraph (13), by striking “and” at the
 6 end;

7 (3) by striking paragraph (19);

8 (4) in paragraph (24), by striking “and” at the
 9 end;

10 (5) in paragraph (25), by striking the period at
 11 the end and inserting “; and”;

12 (6) by redesignating paragraphs (20) through
 13 (25) as paragraphs (19) through (24), respectively;
 14 and

15 (7) by redesignating paragraph (21) (as added
 16 by section 1012(f)(3) of the Housing and Community
 17 Development Act of 1992) as paragraph (25).

18 **(62)**Page 50, after line 2 insert:

19 *SEC. 227. REPORT ON IMPACT OF COMMUNITY DEVEL-*
 20 *OPMENT FUNDS ON PLAN RELOCATIONS AND JOB DISLOCA-*
 21 *TION.*

22 *Not later than October 1, 1996, the Secretary of the*
 23 *Department of Housing and Urban Development shall sub-*
 24 *mit to the appropriate Committees of the Congress a report*
 25 *on—*

1 (1) the extent to which funds provided under sec-
2 tion 106 (Community Development Block Grants),
3 section 107 (Special Purpose Grants), and Section
4 108(q) (Economic Development Grants) of the Hous-
5 ing and Community Development Act of 1974, have
6 been directly used to facilitate the closing of an indus-
7 trial or commercial plant or the substantial reduction
8 of operations of a plant and result in the relocation
9 or expansion of a plant from one State to another;

10 (2) the extent to which the availability of such
11 funds has been a substantial factor in the decision to
12 relocate a plant from one State to another;

13 (3) an analysis of the extent to which provisions
14 in other laws prohibiting the use of Federal funds to
15 facilitate the closing of an industrial or commercial
16 plant or the substantial reduction in the operations of
17 such plant and the relocation or expansion of a plant
18 have been effective; and

19 (4) recommendations as to how Federal pro-
20 grams can be designed to prevent the use of Federal
21 funds to directly facilitate the transfer of jobs from
22 one State to another.

23 **(63)**Page 51, strike out all after line 20, over to and in-
24 cluding line 3 on page 52 and insert:

1 *For necessary expenses for the Corporation for Na-*
 2 *tional and Community Service in carrying out the orderly*
 3 *terminations of programs, activities, and initiatives under*
 4 *the National and Community Service Act of 1990, as*
 5 *amended (Public Law 103–82), \$6,000,000: Provided, That*
 6 *such amount shall be utilized to resolve all responsibilities*
 7 *and obligations in connection with said Corporation and*
 8 *the Corporation’s Office of Inspector General.*

9 **(64)**Page 52, line 21, strike out **【\$11,296,000】** and in-
 10 sert: *\$11,946,000*

11 **(65)**Page 53, strike out lines 2 through 9 and insert:

12 *SCIENCE AND TECHNOLOGY*

13 *For science and technology, including research and de-*
 14 *velopment activities; necessary expenses for personnel and*
 15 *related costs and travel expenses, including uniforms, or al-*
 16 *lowances therefore, as authorized by 5 U.S.C. 5901–5902;*
 17 *services as authorized by 5 U.S.C. 3109, but at rates for*
 18 *individuals not to exceed the per diem rate equivalent to*
 19 *the rate for GS–18; procurement of laboratory equipment*
 20 *and supplies; other operating expenses in support of re-*
 21 *search and development; construction, alteration, repair, re-*
 22 *habilitation and renovation of facilities, not to exceed*
 23 *\$75,000 per project; \$500,000,000, which shall remain*
 24 *available until September 30, 1997.*

1 **(66)**Page 53, strike out all after line 9, over to and in-
 2 cluding line 7 on page 60 and insert:

3 *PROGRAM ADMINISTRATION AND MANAGEMENT*

4 *For program administration and management activi-*
 5 *ties, including necessary expenses for personnel and related*
 6 *costs and travel expenses, including uniforms, or allowances*
 7 *therefore, as authorized by 5 U.S.C. 5901–5902; services as*
 8 *authorized by 5 U.S.C. 3109, but at rates for individuals*
 9 *not to exceed the per diem rate equivalent to the rate for*
 10 *GS–18; hire of passenger motor vehicles; hire, maintenance,*
 11 *and operation of aircraft; purchase of reprints; library*
 12 *memberships in societies or associations which issue publi-*
 13 *cations to members only or at a price to members lower*
 14 *than to subscribers who are not members; construction, al-*
 15 *teration, repair, rehabilitation, and renovation of facilities,*
 16 *not to exceed \$75,000 per project; and not to exceed \$6,000*
 17 *for official reception and representation expenses;*
 18 *\$1,670,000,000, which shall remain available until Septem-*
 19 *ber 30, 1997.*

20 **(67)**Page 60, after line 8 insert:

21 *(INCLUDING TRANSFER OF FUNDS)*

22 **(68)**Page 60, line 13, strike out **[\$28,542,000]** and in-
 23 sert: *\$27,700,000*

1 **(69)**Page 60, line 18, strike out **【\$28,820,000】** and in-
 2 sert: *\$60,000,000*

3 **(70)**Page 61, line 2, strike out **【to be derived from gen-
 4 eral revenues】** and insert: *consisting of \$753,400,000 as
 5 authorized by section 517(a) of the Superfund Amendments
 6 and Reauthorization Act of 1986 (SARA), as amended by
 7 Public Law 101–508, and \$250,000,000 as a payment from
 8 general revenues to the Hazardous Substance Superfund as
 9 authorized by section 517(b) of SARA, as amended by Pub-
 10 lic Law 101–508*

11 **(71)**Page 61, line 6, strike out **【\$5,000,000】** and insert:
 12 *\$11,700,000*

13 **(72)**Page 61, line 11, strike out **【\$62,000,000】** and in-
 14 sert: *\$55,000,000*

15 **(73)**Page 61, line 21, strike out all after “1996” down
 16 to and including “reauthorized” in line 25

17 **(74)**Page 61, line 25, after “reauthorized” insert: *: Pro-
 18 vided further, That none of the funds made available under
 19 this heading may be used by the Environmental Protection
 20 Agency to propose for listing or to list any additional facili-
 21 ties on the National Priorities List established by section
 22 105 of the Comprehensive Environmental Response, Com-
 23 pensation and Liability Act (CERCLA), as amended (42*

1 *U.S.C. 9605), unless the Administrator receives a written*
 2 *request to propose for listing or to list a facility from the*
 3 *Governor of the State in which the facility is located, or*
 4 *appropriate tribal leader, or unless legislation to reauthor-*
 5 *ize CERCLA is enacted*

6 **(75)**Page 61, line 25, after “reauthorized” insert: : *Pro-*
 7 *vided further, That the Administrator shall continue fund-*
 8 *ing the Brownfields Economic Redevelopment Initiative*
 9 *from available funds at a level necessary to complete the*
 10 *award of 50 cumulative Brownfields Pilots planned for*
 11 *award by the end of fiscal year 1996 and carry out other*
 12 *elements of the Brownfields Action Agenda in order to fa-*
 13 *cilitate economic redevelopment at Brownfields sites*

14 **(76)**Page 62, line 9, strike out **【\$5,285,000】** and insert:
 15 *\$8,000,000*

16 **(77)**Page 62, line 11, strike out **【\$426,000】** and insert:
 17 *\$600,000*

18 **(78)**Page 62, line 18, strike out **【\$20,000,000】** and in-
 19 sert: *\$15,000,000*

20 **(79)**Page 62, line 20, strike out **【\$8,420,000】** and insert:
 21 *\$8,000,000*

22 **(80)**Page 62, strike out all after line 22, over to and in-
 23 cluding line 2 on page 65 and insert:

1 *PROGRAM AND INFRASTRUCTURE ASSISTANCE*

2 *For environmental programs and infrastructure as-*
3 *sistance, including capitalization grants for state revolving*
4 *funds and performance partnership grants, \$2,340,000,000,*
5 *to remain available until expended, of which*
6 *\$1,500,000,000 shall be for making capitalization grants for*
7 *State revolving funds to support water infrastructure fi-*
8 *nancing; \$100,000,000 for architectural, engineering, de-*
9 *sign, construction and related activities in connection with*
10 *the construction of high priority water and wastewater fa-*
11 *cilities in the area of the United States-Mexico Border, after*
12 *consultation with the appropriate border commission;*
13 *\$50,000,000 for grants to the State of Texas, which shall*
14 *be matched by an equal amount of State funds from State*
15 *resources, for the purpose of improving wastewater treat-*
16 *ment for colonias; and \$15,000,000 for grants to the State*
17 *of Alaska, subject to an appropriate cost share as deter-*
18 *mined by the Administrator, to address wastewater infra-*
19 *structure needs of Alaska Native villages: Provided, That*
20 *beginning in fiscal year 1996 and each fiscal year there-*
21 *after, and notwithstanding any other provision of law, the*
22 *Administrator is authorized to make grants annually from*
23 *funds appropriated under this heading, subject to such*
24 *terms and conditions as the Administrator shall establish,*
25 *to any State or federally recognized Indian tribe for multi-*

1 *media or single media pollution prevention, control and*
2 *abatement and related environmental activities at the re-*
3 *quest of the Governor or other appropriate State official or*
4 *the tribe: Provided further, That from funds appropriated*
5 *under this heading, the Administrator may make grants to*
6 *federally recognized Indian governments for the develop-*
7 *ment of multimedia environmental programs: Provided fur-*
8 *ther, That of the \$1,500,000,000 for capitalization grants*
9 *for State revolving funds to support water infrastructure*
10 *financing, \$500,000,000 shall be for drinking water State*
11 *revolving funds, but if no drinking water State revolving*
12 *fund legislation is enacted by April 30, 1996, these funds*
13 *shall immediately be available for making capitalization*
14 *grants under title VI of the Federal Water Pollution Control*
15 *Act, as amended: Provided further, That of the funds made*
16 *available under this heading in Public Law 103-327 and*
17 *in Public Law 103-124 for capitalization grants for State*
18 *revolving funds to support water infrastructure financing,*
19 *\$225,000,000 shall be made available for capitalization*
20 *grants for State revolving funds under title VI of the Fed-*
21 *eral Water Pollution Control Act, as amended, if no drink-*
22 *ing water State revolving fund legislation is enacted by*
23 *April 30, 1996: Provided further, That of the funds appro-*
24 *priated in the Construction Grants and Water Infrastruc-*
25 *ture/State Revolving Funds accounts since the appropria-*

tion for the fiscal year ending September 30, 1992, and hereafter, for making grants for wastewater treatment works construction projects, portions may be provided by the recipients to States for managing construction grant activities, on condition that the States agree to reimburse the recipients from State funding sources.

(81)Page 65, after line 2 insert:

ADMINISTRATIVE PROVISIONS

SEC. 301. MORATORIUM ON CERTAIN EMISSIONS TESTING REQUIREMENTS.

(a) MORATORIUM.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this subsection as the “Administrator”) shall not require adoption or implementation by a State of a test-only or I/M240 enhanced vehicle inspection and maintenance program as a means of compliance with section 182 of the Clean Air Act (42 U.S.C. 7511a), but the Administrator may approve such a program if a State chooses to adopt the program as a means of compliance.

(2) REPEAL.—Paragraph (1) is repealed effective as of the date that is 1 year after the date of enactment of this Act.

(b) PLAN APPROVAL.—

1 (1) *IN GENERAL.*—The Administrator of the En-
2 vironmental Protection Agency (referred to in this
3 subsection as the “Administrator”) shall not dis-
4 approve a State implementation plan revision under
5 section 182 of the Clean Air Act (42 U.S.C. 7511a)
6 on the basis of a regulation providing for a 50-per-
7 cent discount for alternative test-and-repair inspec-
8 tion and maintenance programs.

9 (2) *CREDIT.*—If a State provides data for a pro-
10 posed inspection and maintenance system for which
11 credits are appropriate under section 182 of the Clean
12 Air Act (42 U.S.C. 7511a), the Administrator shall
13 allow the full amount of credit for the system that is
14 appropriate without regard to any regulation that
15 implements that section by requiring centralized
16 emissions testing.

17 (3) *DEADLINE.*—The Administrator shall com-
18 plete and present a technical assessment of data for
19 a proposed inspection and maintenance system sub-
20 mitted by a State not later than 45 days after the
21 date of submission.

22 **(82)**Page 65, after line 2 insert:

23 *SEC. 302. None of the funds made available in this*
24 *Act may be used by the Environmental Protection Agency*
25 *to impose or enforce any requirement that a State imple-*

1 *ment trip reduction measures to reduce vehicular emissions.*
 2 *Section 304 of the Clean Air Act (42 U.S.C. 7604) shall*
 3 *not apply with respect to any such requirement during the*
 4 *period beginning on the date of the enactment of this Act*
 5 *and ending September 30, 1996.*

6 **(83)**Page 65, after line 2 insert:

7 *SEC. 303. None of the funds provided in this Act may*
 8 *be used within the Environmental Protection Agency for*
 9 *any final action by the Administrator or her delegate for*
 10 *signing and publishing for promulgation a rule concerning*
 11 *any new standard for arsenic (for its carcinogenic effects),*
 12 *sulfates, radon, ground water disinfection, or the contami-*
 13 *nants in phase VI B in drinking water, unless the Safe*
 14 *Drinking Water Act of 1986 has been reauthorized.*

15 **(84)**Page 65, after line 2 insert:

16 *SEC. 304. None of the funds provided in this Act may*
 17 *be used during fiscal year 1996 to sign, promulgate, imple-*
 18 *ment or enforce the requirement proposed as “Regulation*
 19 *of Fuels and Fuel Additives: Individual Foreign Refinery*
 20 *Baseline Requirements for Reformulated Gasoline” at vol-*
 21 *ume 59 of the Federal Register at pages 22800 through*
 22 *22814.*

23 **(85)**Page 65, after line 2 insert:

1 *SEC. 305. None of the funds appropriated to the Envi-*
2 *ronmental Protection Agency for fiscal year 1996 may be*
3 *used to implement section 404(c) of the Federal Water Pol-*
4 *lution Control Act, as amended. No pending action by the*
5 *Environmental Protection Agency to implement section*
6 *404(c) with respect to an individual permit shall remain*
7 *in effect after the date of enactment of this Act.*

8 **(86)**Page 65, after line 2 insert:

9 *SEC. 306. Notwithstanding any other provision of law,*
10 *for this fiscal year and hereafter, an industrial discharger*
11 *that is a pharmaceutical manufacturing facility and dis-*
12 *charged to the Kalamazoo Water Reclamation Plant (an*
13 *advanced wastewater treatment plant with activated car-*
14 *bon) prior to the date of enactment of this Act may be ex-*
15 *empted from categorical pretreatment standards under sec-*
16 *tion 307(b) of the Federal Water Pollution Control Act, as*
17 *amended, if the following conditions are met: (1) the owner*
18 *or operator of the Kalamazoo Water Reclamation Plant ap-*
19 *plies to the State of Michigan for an exemption for such*
20 *industrial discharger, (2) the State or Administrator, as*
21 *applicable, approves such exemption request based upon a*
22 *determination that the Kalamazoo Water Reclamation*
23 *Plant will provide treatment and pollution removal consist-*
24 *ent with or better than treatment and pollution removal*
25 *requirements set forth by the Environmental Protection*

1 *Agency, the State determines that the total removal of each*
 2 *pollutant released into the environment will not be lesser*
 3 *than the total removal of such pollutants that would occur*
 4 *in the absence of the exemption, and (3) compliance with*
 5 *paragraph (2) is addressed by the provisions and conditions*
 6 *of a permit issued to the Kalamazoo Water Reclamation*
 7 *Plant under section 402 of such Act, and there exists an*
 8 *operative financial contract between the City of Kalamazoo*
 9 *and the industrial user and an approved local pretreatment*
 10 *program, including a joint monitoring program and local*
 11 *controls to prevent against interference and pass through.*

12 **(87)**Page 65, after line 2 insert:

13 *SEC. 307. No funds appropriated by this Act may be*
 14 *used during fiscal year 1996 to enforce the requirements*
 15 *of section 211(m)(2) of the Clean Air Act that require fuel*
 16 *refiners, marketers, or persons who sell or dispense fuel to*
 17 *ultimate consumers in any carbon monoxide nonattainment*
 18 *area in Alaska to use methyl tertiary butyl ether (MTBE)*
 19 *to meet the oxygen requirements of that section.*

20 **(88)**Page 65, after line 2 insert:

21 *SEC. 308. None of the funds appropriated under this*
 22 *Act may be used to implement the requirements of section*
 23 *186(b)(2), section 187(b) or section 211(m) of the Clean Air*
 24 *Act (42 U.S.C. 7512(b)(2), 7512a(b), or 7545(m)) with re-*
 25 *spect to any moderate nonattainment area in which the av-*

1 *erage daily winter temperature is below 0 degrees Fahr-*
 2 *enheit. The preceding sentence shall not be interpreted to*
 3 *preclude assistance from the Environmental Protection*
 4 *Agency to the State of Alaska to make progress toward meet-*
 5 *ing the carbon monoxide standard in such areas and to re-*
 6 *solve remaining issues regarding the use of oxygenated fuels*
 7 *in such areas.*

8 **(89)**Page 65, after line 2 insert:

9 *SEC. 309. ENERGY EFFICIENCY AND ENERGY SUPPLY*
 10 *PROGRAMS.*

11 *(a) PRIORITY FOR SMALL BUSINESSES.—During fis-*
 12 *cal year 1996 the Administrator of the Environmental Pro-*
 13 *tection Agency shall give priority in providing assistance*
 14 *in its Energy Efficiency and Energy Supply programs to*
 15 *organizations that are recognized as small business concerns*
 16 *under section 3(a) of the Small Business Act (15 U.S.C.*
 17 *632(a)).*

18 *(b) STUDY.—The Administrator shall perform a study*
 19 *to determine the feasibility of establishing fees to recover*
 20 *all reasonable costs incurred by EPA for assistance rendered*
 21 *businesses in its Energy Efficiency and Energy Supply*
 22 *program. The study shall include, among other things, an*
 23 *evaluation of making the Energy Efficiency and Energy*
 24 *Supply Program self-sustaining, the value of the assistance*
 25 *rendered to businesses, providing exemptions for small busi-*

1 nesses, and making the fees payable directly to a fund that
 2 would be available for use by EPA as needed for this pro-
 3 gram. The Administrator shall report to Congress by March
 4 15, 1996 on the results of this study and EPA's plan for
 5 implementation.

6 (c) FUNDING.—For fiscal year 1996, up to
 7 \$100,000,000 of the funds appropriated to the Environ-
 8 mental Protection Agency may be used by the Adminis-
 9 trator to support global participation in the Montreal Pro-
 10 tocol facilitation fund and for the climate change action
 11 plan programs including the green programs.

12 **(90)**Page 65, after line 2 insert:

13 SEC. 310. The Administrator of the Environmental
 14 Protection Agency shall not, under authority of section 6
 15 of the Toxic Substances Control Act (15 U.S.C. 2605), take
 16 final action on the proposed rule dated February 28, 1994
 17 (59 Fed. Reg. 11122 (March 9, 1994)) to prohibit or other-
 18 wise restrict the manufacturing, processing, distributing, or
 19 use of any fishing sinkers or lures containing lead, zinc,
 20 or brass unless the Administrator finds that the risk to wa-
 21 terfowl cannot be addressed through alternative means in
 22 which case, the rule making may proceed 180 days after
 23 Congress is notified of the finding.

24 **(91)**Page 65, after line 2 insert:

1 *SEC. 311. Not later than 90 days after the date of en-*
2 *actment of this Act, the Administrator of the Environ-*
3 *mental Protection Agency (EPA) shall enter into an ar-*
4 *rangement with the National Academy of Sciences to inves-*
5 *tigate and report on the scientific bases for the public rec-*
6 *ommendations of the EPA with respect to indoor radon and*
7 *other naturally occurring radioactive materials (NORM).*
8 *The National Academy shall examine EPA's guidelines in*
9 *light of the recommendations of the National Council on*
10 *Radiation Protection and Measurements, and other peer-*
11 *reviewed research by the National Cancer Institute, the Cen-*
12 *ters for Disease Control, and others, on radon and NORM.*
13 *The National Academy shall summarize the principal areas*
14 *of agreement and disagreement among the above, and shall*
15 *evaluate the scientific and technical basis for any dif-*
16 *ferences that exist. Not later than 18 months after the date*
17 *of enactment of this Act, the Administrator shall submit*
18 *to Congress the report of the National Academy and a state-*
19 *ment of the Administrator's views on the need to revise*
20 *guidelines for radon and NORM in response to the evalua-*
21 *tion of the National Academy. Such statement shall explain*
22 *and differentiate the technical and policy bases for such*
23 *views.*

24 **(92)**Page 65, after line 2 insert:

1 *SEC. 312. EPA Research and Development Activities*
2 *and Staffing.*

3 *(a) STAR PROGRAM.—The Administrator of the Envi-*
4 *ronmental Protection Agency may not use any funds made*
5 *available under this Act to implement the Science to*
6 *Achieve Results (STAR) program unless—*

7 *(1) the use of the funds would not reduce any*
8 *funding available to the laboratories of the Agency for*
9 *staffing, cooperative agreements, grants, or support*
10 *contracts; or*

11 *(2) the Appropriations committees of the Senate*
12 *and House of Representatives grant prior approval.*
13 *Transfers of funds to support STAR activities shall be*
14 *considered a reprogramming of funds. Further, said*
15 *approval shall be contingent upon submission of a re-*
16 *port to the Committees as specified in section (c)(2)*
17 *below.*

18 *(b) CONTRACTOR CONVERSION.—The Administrator of*
19 *the Environmental Protection Agency may not use any*
20 *funds to—*

21 *(1) hire employees and create any new staff posi-*
22 *tions under the contractor conversion program in the*
23 *Office of Research and Development.*

24 *(c) REPORT.—Not later than January 1, 1996, the Ad-*
25 *ministrator shall submit to the Appropriations Committees*

1 *of the Senate and House of Representatives a report*
 2 *which—*

3 *(1) provides a staffing plan for the Office of Re-*
 4 *search and Development indicating the use of Federal*
 5 *and contract employees;*

6 *(2) identifies the amount of funds to be repro-*
 7 *grammed to STAR activities; and*

8 *(3) provides a listing of any resource reductions*
 9 *below fiscal year 1995 funding levels, by specific lab-*
 10 *oratory, from Federal staffing, cooperative agree-*
 11 *ments, grants, or support contracts as a result of*
 12 *funding for the STAR program.*

13 **(93)**Page 65, strike out all after line 17, down to and
 14 including “by” in line 19 and insert:

15 *For necessary expenses to continue functions assigned*
 16 *to the Council on Environmental Quality and Office of En-*
 17 *vironmental Quality pursuant to*

18 **(94)**Page 65, strike out all after line 23, over to and in-
 19 cluding line 2 on page 66

20 **(95)**Page 67, line 3, strike out **【\$162,000,000】** and in-
 21 sert: *\$168,900,000*

22 **(96)**Page 67, line 7, strike out **【\$4,400,000】** and insert:
 23 *\$4,673,000*

1 **(97)**Page 67, line 17, strike out all after “seq.),” down
2 to and including “seq.),” in line 19

3 **(98)**Page 67, line 25, strike out **【\$100,000,000】** and in-
4 sert: *\$114,173,000*

5 **(99)**Page 68, line 20, strike out all after “Appropria-
6 tions” over to and including “Channel” in line 3 on page
7 69

8 **(100)**Page 70, line 11, strike out **【\$2,502,000】** and in-
9 sert: *\$2,602,000*

10 **(101)**Page 70, strike out all after line 15, over to and
11 including line 7 on page 71

12 **(102)**Page 71, line 20, strike out **【\$5,449,600,000】** and
13 insert: *\$5,337,600,000*

14 **(103)**Page 71, line 21, strike out all after “1997” over
15 to and including “1997” in line 2 on page 72

16 **(104)**Page 72, line 14, strike out **【\$5,588,000,000】** and
17 insert: *\$5,960,700,000*

18 **(105)**Page 73, line 9, strike out **【\$2,618,200,000】** and
19 insert: *\$2,484,200,000*

20 **(106)**Page 74, strike out all after line 17, over to and
21 including line 8 on page 75

1 **(107)**Page 76, line 6, after “facility” insert: : *Provided*
 2 *further, That each Federal agency with prior contact to the*
 3 *site shall remain responsible for any and all environmental*
 4 *remediation made necessary as a result of its activities on*
 5 *the site*

6 **(108)**Page 76, strike out all after line 14, over to and
 7 including line 3 on page 77

8 **(109)**Page 77, after line 3 insert:

9 *Of the funds made available by this Act under the*
 10 *heading “Human Space Flight”, \$390,000,000 of funds*
 11 *provided for Space Station shall not become available for*
 12 *obligation until August 1, 1996 and shall remain available*
 13 *for obligation until September 30, 1997.*

14 **(110)**Page 77, line 21, strike out **【\$2,254,000,000】** and
 15 insert: *\$2,294,000,000*

16 **(111)**Page 81, after line 11 insert:

17 *DEPARTMENT OF JUSTICE*

18 *FAIR HOUSING AND EQUAL OPPORTUNITY*

19 *FAIR HOUSING ACTIVITIES*

20 *For contracts, grants, and other assistance, not other-*
 21 *wise provided for, as authorized by title VIII of the Civil*
 22 *Rights Act of 1968, as amended by the Fair Housing*
 23 *Amendments Act of 1988, and for contracts with qualified*
 24 *fair housing enforcement organizations, as authorized by*

1 *section 561 of the Housing and Community Development*
 2 *Act of 1987, as amended by the Housing and Community*
 3 *Development Act of 1992, \$30,000,000, to remain available*
 4 *until September 30, 1997.*

5 *All functions, activities and responsibilities of the Sec-*
 6 *retary of Housing and Urban Development relating to title*
 7 *VIII of the Civil Rights Act of 1968, as amended by the*
 8 *Fair Housing Amendments Act of 1988, and the Fair Hous-*
 9 *ing Act, including any rights guaranteed under the Fair*
 10 *Housing Act (including any functions relating to the Fair*
 11 *Housing Initiatives program under section 561 of the Hous-*
 12 *ing and Community Development Act of 1987), are hereby*
 13 *transferred to the Attorney General of the United States ef-*
 14 *fective April 1, 1997: Provided, That none of the aforemen-*
 15 *tioned authority or responsibility for enforcement of the*
 16 *Fair Housing Act shall be transferred to the Attorney Gen-*
 17 *eral until adequate personnel and resources allocated to*
 18 *such activity at the Department of Housing and Urban De-*
 19 *velopment are transferred to the Department of Justice.*

20 **(112)**Page 81, after line 11 insert:

21 *DEPARTMENT OF THE TREASURY*

22 *OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT*

23 *For carrying out the Federal Housing Enterprise Fi-*
 24 *nancial Safety and Soundness Act of 1992, \$14,895,000, to*
 25 *remain available until expended, for the Federal Housing*

1 *Enterprise Oversight Fund: Provided, That such funds shall*
 2 *be collected as authorized by sections 1316(a) and (b) of*
 3 *such Act, and deposited in the Fund under section 1316(f)*
 4 *of such Act: Provided further, That notwithstanding any*
 5 *other provision of law, the Secretary of the Treasury shall*
 6 *have all powers and rights of the Director and the Fund*
 7 *shall be within the Department of the Treasury.*

8 **(113)**Page 82, line 16, strike out **【SECTION】** and insert:
 9 *SEC.*

10 **(114)**Page 89, strike out lines 6 through 14

11 **(115)**Page 89, after line 14 insert:

12 *SEC. 520. Such funds as may be necessary to carry*
 13 *out the orderly termination of the Office of Consumer Af-*
 14 *fairs shall be made available from funds appropriated to*
 15 *the Department of Health and Human Services for fiscal*
 16 *year 1996.*

17 **(116)**Page 89, after line 14 insert:

18 *SEC. 521. Energy Savings at Federal Facilities.*

19 *(a) REDUCTION IN FACILITIES ENERGY COSTS.—*

20 *(1) IN GENERAL.—The head of each agency for*
 21 *which funds are made available under this Act*
 22 *shall—*

23 *(A) take all actions necessary to achieve*
 24 *during fiscal year 1996 a 5 percent reduction,*

1 *from fiscal year 1995 levels, in the energy costs*
2 *of the facilities used by the agency; or*

3 *(B) enter into a sufficient number of energy*
4 *savings performance contracts with private sec-*
5 *tor energy service companies under title VIII of*
6 *the National Energy Conservation Policy Act (42*
7 *U.S.C. 8287 et seq.) to achieve during fiscal year*
8 *1996 at least a 5 percent reduction, from fiscal*
9 *year 1995 levels, in the energy use of the facili-*
10 *ties used by the agency.*

11 *(2) GOAL.—The activities described in para-*
12 *graph (1) should be a key component of agency pro-*
13 *grams that will by the year 2000 result in a 20 per-*
14 *cent reduction, from fiscal year 1985 levels, in the en-*
15 *ergy use of the facilities used by the agency, as re-*
16 *quired by section 543 of the National Energy Con-*
17 *servation Policy Act (42 U.S.C. 8253).*

18 *(b) USE OF COST SAVINGS.—An amount equal to the*
19 *amount of cost savings realized by an agency under sub-*
20 *section (a) shall remain available for obligation through the*
21 *end of fiscal year 2000, without further authorization or*
22 *appropriation, as follows:*

23 *(1) CONSERVATION MEASURES.—Fifty percent of*
24 *the amount shall remain available for the implemen-*
25 *tation of additional energy conservation measures*

1 *and for water conservation measures at such facilities*
2 *used by the agency as are designated by the head of*
3 *the agency.*

4 (2) *OTHER PURPOSES.*—*Fifty percent of the*
5 *amount shall remain available for use by the agency*
6 *for such purposes as are designated by the head of the*
7 *agency, consistent with applicable law.*

8 (c) *REPORTS.*—

9 (1) *BY AGENCY HEADS.*—*The head of each agen-*
10 *cy for which funds are made available under this Act*
11 *shall include in each report of the agency to the Sec-*
12 *retary of Energy under section 548(a) of the National*
13 *Energy Conservation Policy Act (42 U.S.C. 8258(a))*
14 *a description of the results of the activities carried out*
15 *under subsection (a) and recommendations concerning*
16 *how to further reduce energy costs and energy con-*
17 *sumption in the future.*

18 (2) *BY SECRETARY OF ENERGY.*—*The reports re-*
19 *quired under paragraph (1) shall be included in the*
20 *annual reports required to be submitted to Congress*
21 *by the Secretary of Energy under section 548(b) of the*
22 *Act (42 U.S.C. 8258(b)).*

23 (3) *CONTENTS.*—*With respect to the period since*
24 *the date of the preceding report, a report under para-*
25 *graph (1) or (2) shall—*

1 (A) *specify the total energy costs of the fa-*
2 *cilities used by the agency;*

3 (B) *identify the reductions achieved;*

4 (C) *specify the actions that resulted in the*
5 *reductions;*

6 (D) *with respect to the procurement proce-*
7 *dures of the agency, specify what actions have*
8 *been taken to—*

9 (i) *implement the procurement au-*
10 *thorities provided by subsections (a) and (c)*
11 *of section 546 of the National Energy Con-*
12 *servation Policy Act (42 U.S.C. 8256); and*

13 (ii) *incorporate directly, or by ref-*
14 *erence, the requirements of the regulations*
15 *issued by the Secretary of Energy under*
16 *title VIII of the Act (42 U.S.C. 8287 et*
17 *seq.); and*

18 (E) *specify—*

19 (i) *the actions taken by the agency to*
20 *achieve the goal specified in subsection*
21 *(a)(2);*

22 (ii) *the procurement procedures and*
23 *methods used by the agency under section*
24 *546(a)(2) of the Act (42 U.S.C. 8256(a)(2));*
25 *and*

- 1 *(iii) the number of energy savings per-*
- 2 *formance contracts entered into by the agen-*
- 3 *cy under title VIII of the Act (42 U.S.C.*
- 4 *8287 et seq.).*

Attest:

Secretary.

104TH CONGRESS
1ST SESSION

H. R. 2099

AMENDMENTS

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